MCOSC1.1A/C

First Semester M.Com. Degree Online Examination

January - 2025

(SLM Scheme) (CBCS)

COMMERCE

Advanced Financial Accounting

Time: 3 Hours **Max. Marks: 80**

SECTION – A (25 MCQ/Objective type questions)

Answer all the questions. Each question carries 2 marks **[25 x 2 = 50]**

1. What is the primary purpose of the Profit and Loss Appropriation Account?
   a) To calculate net profit
   b) To allocate profits to reserves, dividends, and taxes
   c) To prepare a balance sheet
   d) None of the above

2. Securities premium account is shown on the liability side in the Balance-Sheet under the heading
   a) Share capital
   b) Reserves and surplus
   c) Current liabilities and provisions
   d) Other account balances

3. Underwriting of shares refers to
   a) Guaranteeing a minimum subscription by an underwriter
   b) Allocating shares to existing shareholders
   c) Preparing company balance sheets
   d) Liquidation of the company

4. Which type of underwriting involves underwriters taking up shares not subscribed by the public?
   a) Marked underwriting
   b) Firm underwriting
   c) Unmarked underwriting
   d) Partial underwriting

5. Which document is prepared during the liquidation of a company?
   a) Statement of Affairs
   b) Profit and Loss Appropriation Account
   c) Trading Account
   d) Amalgamation Account

6. Liquidator's remuneration is typically calculated based on
   a) Percentage of gross sales
   b) Percentage of realized assets
   c) Net profit
   d) Equity shares issued

7. Which method is used for branch accounting in the head office books?
   a) Debtors system
   b) Creditors system
   c) Balance sheet system
   d) Trial balance system

8. Goods sent to a branch by the head office are recorded at
   a) Market price
   b) Invoice price
   c) Cost price
   d) Selling price

9. Inter-departmental transfers are generally recorded at
   a) Market value
   b) Cost price
   c) Selling price
   d) Invoice price

10. What is the primary purpose of departmental accounts?
    a) To record company expenses
    b) To evaluate performance of individual departments
    c) To prepare financial statements
    d) None of the above

11. Which method is used for goodwill valuation based on future maintainable profits?
    a) Super Profit Method
    b) Annuity Method
    c) Capitalization Method
    d) Both a) and c)

12. Factors influencing the valuation of shares include
    a) Market conditions
    b) Financial performance
    c) Dividend policy
    d) All of the above

13. A company making profits can pay to its managing director a maximum remuneration of
    a) Rs.135000 pm
    b) Rs.200000 pm
    c) 5% of net profits
    d) None of the above

14. In an amalgamation in the nature of merger
    a) Assets and liabilities are recorded at fair value
    b) The pooling of interests method is used
    c) New shares are issued at market value
    d) Only liabilities are considered

15. Purchase consideration in an amalgamation can be calculated using
    a) Net asset method
    b) Intrinsic value method
    c) Earnings capitalization method
    d) All of the above

16. In case a company is solvent, the interest on debentures is paid upto the date of
    a) The Balance Sheet
    b) The commencement of winding up
    c) Payment
    d) None of the above

17. The share capital to the extent already held by the purchasing company is closed by the vendor company by crediting it to:
    a) Investments account
    b) Purchasing company's account
    c) Share capital account
    d) None of the above

18. The balance in the capital reduction account after writing off accumulated losses is transferred to
    a) General reserve
    b) Share capital
    c) Capital reserve
    d) None of the above

19. Super profit is divided into two or three divisions and each division is multiplied by a different number of years in case of
    a) Purchase of super profit method
    b) Sliding scale valuation of super profit method
    c) Capitalization of super profit method
    d) All of the above
20. Breakup value of a share can be determined by
    a) Net asset method
    b) Yield method
    c) Stock exchange quotation
    d) Super profit method

21. Dividends can be paid only out of
    a) Current year's profits
    b) Capital redemption reserve account
    c) Securities premium account
    d) Previous year's profits

22. Which of the following is required in the preparation of a company's final accounts?
    a) Managerial Remuneration
    b) Profit and Loss Appropriation Account
    c) Special Treatment for Adjustments
    d) All of the above

23. Divisible profits do not include
    a) Reserve fund
    b) Profits on revaluation of assets
    c) Post-incorporation profits
    d) Loss on revaluation of assets

24. Goods sent to branch are ₹1,00,000 at invoice price, and the loading percentage is 25%. Calculate the loading.
    a) ₹25,000
    b) ₹20,000
    c) ₹12,500
    d) ₹30,000

25. Dividends are usually paid on
    a) Authorised capital
    b) Issued capital
    c) Paid-up capital
    d) Capital

SECTION – B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

26. Explain the distinguishing features between branch accounts and departmental accounts.
27. Write short note on Purchase Consideration as per Amalgamation.
28. State the provisions for calculation of liquidator's remuneration.

29. A manager is entitled to a commission at a certain percentage of net profit (such commission to be charged in arriving at the net profit)

    The commission is to be allowed on the following rates:

    First `10000 of the net profit Nil

    Next ` 20000 of the net profit @10%

    Next ` 30000 of the net profit @15%

    Next ` 60000 of the net profit @20%

    Balance of the net profit @30%

    The net profit before charging the manager's commission is ` 145000. Compute the amount of manager's commission.

30. Differentiate between Partial and Full Underwriting.
31. State briefly the advantages to be derived from a system of Departmental Accounts.
32. Explain the Super-Profit method of valuation of Goodwill.
33. A Ltd. has equity shares of ` 10 each. In a similar company, the market value of equity shares of the same denomination is ` 25 per share on the basis of average dividend declared of 20% without any major fluctuation from year to year. In the case of A ltd., the dividend rate has been fluctuating from year to year. The current ratio of A ltd is better than that of the company referred to above. You are required to calculate the normal rate of return expected from A ltd.

SECTION - C

Answer any One question. It carries Ten marks. [1 × 10 = 10]

34. M/s Suman Hosiery Mills produces three varieties of products: Sona, Mona and Dona. The cost of production during the year 2024 of these varieties amounted to ₹8,00,000. Output during the year were: Sona ---- 4,000 units; Mona ---- 8,000 units and Dona ---- 9,600 units.

    Stock on 1st January, 2024 were: Sona ---- 450 units; Mona ---- 300 units and Dona ---- 600 units. Sales during the year were: Sona ---- 4,100 units @ ₹48 each; Mona ---- 7,700 units @ ₹54 each and Dona ---- 10,000 units @ ₹60 each. The rate of gross profit is the same in each case. Total departmental expenses of ₹96,000 were to be apportioned to various products in the ratio of 1:2:2. Prepare Departmental Trading Account.

35. Write short notes on:

a) Intrinsic value of shares

b) Earning value (Equity share)

36. Differentiate between external reconstruction and internal reconstruction.

37. Explaining pooling of interest method of amalgamation.

First Semester M.Com. Degree Online Examination, January - 2025
(SLM Scheme) (CBCS)
COMMERCE
Business Policy and Environment

Time : 3 Hours **Max. Marks : 80**

SECTION – A

(25 MCQ/Objective type questions)
Answer all the questions. Each question carries 2 marks **[25 x 2 = 50]**

1. **Business environment refers**
   - A) Internal company conditions
   - B) The surroundings that influence business operations
   - C) The financial assets of a company
   - D) The physical location of a business
2. **Which of the following is NOT a characteristic of the business environment?**
   - A) Dynamic
   - B) Static
   - C) Complex
   - D) Multifaceted
3. **What is environmental scanning?**
   - A) Analyzing internal business performance
   - B) Evaluating external business influences
   - C) Monitoring employee performance
   - D) Strategy to increase market share
4. **What are the two main types of business environments?**
   - A) Local and global
   - B) Internal and external
   - C) Static and dynamic
   - D) Physical and digital
5. **What constitutes the economic environment of a business?**
   - A) Political stability
   - B) Market trends, economic policies, and financial conditions
   - C) Social norms
   - D) Technological innovations
6. **What is the role of NITI Aayog in the economic environment of India?**
   - A) Regulating foreign trade
   - B) Promoting cultural heritage
   - C) Policy-making for economic development
   - D) Supervising education policies
7. **What is the agenda of the "Make in India" initiative?**
   - A) Promote foreign investment in India
   - B) Increase import of goods
   - C) Boost manufacturing within India
   - D) Improve educational standards
8. **What is globalization?**
   - A) Reducing trade barriers between countries
   - B) National self-sufficiency
   - C) Increasing local production
   - D) Preserving cultural heritage
9. **Which of the following is a consequence of globalization for India?**
   - A) Increased isolation

- B) Reduced foreign trade
- C) Enhanced economic growth and foreign investments
- D) Decreased competition

10. **What was the main objective of the Industrial Policy Resolution, 1948?**
    - A) Promote foreign investment
    - B) Regulate and develop industries in India
    - C) Enhance agricultural output
    - D) Increase taxation rates
11. **Which year was the Industrial Policy Resolution, 1991, introduced?**
    - A) 1980
    - B) 1991
    - C) 2000
    - D) 2010
12. **What is a common problem faced by small-scale industries?**
    - A) Excessive foreign competition
    - B) Lack of innovation
    - C) Limited access to credit
    - D) High employee turnover
13. **What is the primary objective of the Competition Act, 2002?**
    - A) Promote monopolistic practices
    - B) Encourage anti-competitive agreements
    - C) Prevent abuse of dominant market positions
    - D) Support price fixing among companies
14. **Which body enforces the Competition Act, 2002?**
    - A) Reserve Bank of India
    - B) Competition Commission of India
    - C) Securities and Exchange Board of India
    - D) Ministry of Finance
15. **What are the objectives of the Consumer Protection Act, 1986?**
    - A) To promote industrial growth
    - B) To protect consumer rights and interests
    - C) To regulate international trade
    - D) To control government spending
16. **What is the scope of the Consumer Protection Act, 1986?**
    - A) It applies only to goods
    - B) It applies only to services
    - C) It applies to both goods and services
    - D) It applies only to government services
17. **What is the definition of industrial sickness?**
    - A) Decline in industrial production
    - B) Financial instability of an industry
    - C) Health issues among industrial workers
    - D) Environmental pollution caused by industries
18. **Which of the following is a remedy for industrial sickness?**
    - A) Ignoring the problem
    - B) Financial restructuring
    - C) Increasing production costs
    - D) Reducing marketing efforts
19. **What is corporate social responsibility (CSR)?**
    - A) Company's responsibility to pay taxes
    - B) Company's commitment to ethical practices
    - C) Company's duty to maximize profits
    - D) Company's involvement in social and environmental causes

20. **Which of the following is an example of CSR?**
    - A) Reducing employee salaries
    - B) Cutting down on production costs
    - C) Initiating a community development project
    - D) Increasing prices of products
21. **What is the triple bottom line approach in CSR?**
    - A) Focusing on profits, people, and the planet
    - B) Increasing shareholder value
    - C) Expanding market share
    - D) Enhancing product quality
22. **What is the relationship between ethics and business?**
    - A) Ethics and business are unrelated
    - B) Ethical practices can lead to business success
    - C) Ethics often hinder business operations
    - D) Business success depends solely on profitability
23. **What are trade secrets?**
    - A) Government regulations on trade
    - B) Confidential business information giving a competitive edge
    - C) Publicly available market strategies
    - D) Trade agreements between countries
24. **Which of the following is an ethical issue in marketing and advertising?**
    - A) Promoting only high-priced products
    - B) Ensuring truthful and non-deceptive advertising
    - C) Increasing advertising budgets
    - D) Targeting vulnerable populations
25. **What is corporate governance?**
    - A) Government control over businesses
    - B) The system by which companies are directed and controlled
    - C) Strategies to increase market share
    - D) Corporate tax policies

SECTION B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

26. Discuss the importance of the business environment in decision-making.
27. Explain the methods and techniques of environmental scanning.
28. Analyze the impact of globalization on the Indian economy.
29. Describe the problems and remedies for small-scale industries.
30. Discuss the role and functions of the Competition Commission of India.
31. Explain the remedies available to consumers under the Consumer Protection Act, 1986.
32. Analyze the causes and effects of industrial sickness.
33. Discuss the drivers of corporate social responsibility.

SECTION C

Answer any One question. Each question carries Ten marks. [1 × 10 = 10]

34. Discuss the need for corporate governance in registered companies.
35. Explain the recommendations of the Kumaramangalam Birla Committee on corporate governance.
36. Describe the relationship between ethics, values, and morals in business.
37. Analyze the role of the chief executive officer in corporate governance.

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COMMERCE
Business Policy and Environment

Time : 3 Hours **Max. Marks : 80**

SECTION – A

(25 MCQ/Objective type questions)
Answer all the questions. Each question carries 2 marks **[25 x 2 = 50]**

1. **What is the significance of understanding the business environment?**
   - A) To increase production
   - B) To reduce costs
   - C) To make informed business decisions
   - D) To manage employees better
2. **Who are the community stakeholders in a business environment?**
   - A) Competitors
   - B) Customers, employees, and the general public
   - C) Suppliers
   - D) Government agencies
3. **What is the internal environment of a business?**
   - A) External factors influencing the business
   - B) Factors within the company that affect its operations
   - C) Technological advancements outside the company
   - D) Global market influences
4. **What is the importance of stakeholders in the business environment?**
   - A) To enhance profitability
   - B) To increase production efficiency
   - C) To make informed business decisions
   - D) To reduce operational costs
5. **What is the nature of the economic environment?**
   - A) Static
   - B) Dynamic
   - C) Simple
   - D) Irrelevant
6. **Which of the following is an economic factor affecting business?**
   - A) Government policies
   - B) Consumer preferences
   - C) Financial markets
   - D) All of the above
7. **What does economic liberalization involve?**
   - A) Tightening government controls
   - B) Reducing restrictions on business operations
   - C) Increasing tariffs on imports
   - D) Nationalizing industries
8. **What is the primary focus of the New Economic Policy of India?**
   - A) Economic liberalization and globalization
   - B) Agricultural development
   - C) Enhancing government control over industries
   - D) Promoting cultural activities
9. **What is the role of the National Manufacturing Competitiveness Council (NMCC)?**
   - A) Oversee international trade agreements
   - B) Enhance the competitiveness of the manufacturing sector in India

- C) Regulate financial markets
- D) Advise on agricultural policies

10. **What is the Industrial Policy Resolution, 1948?**
    - A) Policy for promoting information technology
    - B) Strategy to boost foreign investments
    - C) Policy to regulate and develop industries in India
    - D) Initiative to increase export rates
11. **What is the significance of small-scale industries in India?**
    - A) They contribute to agricultural development
    - B) They play a major role in international trade
    - C) They drive innovation and employment
    - D) They enhance government revenues
12. **Which committee's recommendations are associated with small sector industrial policy?**
    - A) Abid Hussain Committee
    - B) Sarkaria Committee
    - C) Narasimham Committee
    - D) Kelkar Committee
13. **What is a Mudra Card?**
    - A) A credit card for agricultural loans
    - B) A loan product for small and micro enterprises
    - C) An investment tool for large industries
    - D) A trade policy document
14. **What is NOT considered an anti-competitive agreement under the Competition Act, 2002?**
    - A) Price fixing
    - B) Bid rigging
    - C) Market allocation
    - D) Joint ventures
15. **What is the penalty for violating the Competition Act, 2002?**
    - A) Imprisonment only
    - B) Fine only
    - C) Both fine and imprisonment
    - D) Public apology
16. **Which of the following is NOT a right of consumers under the Consumer Protection Act, 1986?**
    - A) Right to be informed
    - B) Right to choose
    - C) Right to free goods and services
    - D) Right to redress
17. **What are the recent changes in the Consumer Protection Act, 1986?**
    - A) Introduction of e-commerce regulations
    - B) Removal of consumer rights
    - C) Increase in consumer taxes
    - D) Decrease in penalties for violations
18. **What are the signals of industrial sickness?**
    - A) Increased profits
    - B) High employee morale
    - C) Frequent financial losses
    - D) Expansion of business operations
19. **What drives CSR initiatives in companies?**
    - A) Government regulations
    - B) Consumer expectations

- C) Competitive advantage
- D) All of the above

20. **What is the importance of business ethics?**
    - A) To increase production
    - B) To reduce costs
    - C) To build trust and credibility
    - D) To manage employees better
21. **Which of the following is a source of business ethics?**
    - A) Personal beliefs
    - B) Company policies
    - C) Cultural norms
    - D) All of the above
22. **What is corporate disclosure?**
    - A) Public announcement of corporate strategies
    - B) Confidential sharing of business information
    - C) Disclosure of relevant financial and operational information by a company
    - D) Leaking of trade secrets to competitors
23. **What is insider trading?**
    - A) Trading goods within the company
    - B) Using confidential information to trade stocks
    - C) Exchanging products between companies
    - D) Trading in international markets
24. **Why is corporate governance important for registered companies?**
    - A) To enhance profitability
    - B) To ensure transparency and accountability
    - C) To increase market competition
    - D) To reduce production costs
25. **What is the role of stakeholders in corporate governance?**
    - A) They own the company
    - B) They influence company policies and decisions
    - C) They manage daily operations
    - D) They regulate market competition

SECTION B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

26. Explain the importance of stakeholders in the business environment.
27. Discuss the factors facilitating globalization in India.
28. Analyze the significance of the Competition Act, 2002.
29. Describe the role of CSR in sustainable business.
30. Discuss the ethical challenges in corporate takeovers.
31. Explain the need for corporate governance in the separation of ownership and management.
32. Analyze the importance of the recommendations of the Cadbury Committee.
33. Discuss the impact of liberalization on the Indian economy.

SECTION C

Answer any One question. Each question carries Ten marks. [1 × 10 = 10]

34. Discuss the impact of business ethics on personal integrity and social responsibility.
35. Explain the role and functions of the corporate governance committee.
36. Analyze the ethical considerations in marketing and advertising.
37. Describe the responsibilities of executive and non-executive directors in corporate governance.

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SECTION – A

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   - A) Regulating foreign trade
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2. **What is the agenda of the "Make in India" initiative?**
   - A) Promote foreign investment in India
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3. **Which of the following is a consequence of globalization for India?**
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   - A) Tightening government controls
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   - C) Increasing tariffs on imports
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9. **Which body enforces the Competition Act, 2002?**
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10. **What are the objectives of the Consumer Protection Act, 1986?**

- A) To promote industrial growth
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    - D) Targeting vulnerable populations
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    - A) Government control over businesses
    - B) The system by which companies are directed and controlled
    - C) Strategies to increase market share
    - D) Corporate tax policies
21. **Why is corporate governance important for registered companies?**
    - A) To enhance profitability
    - B) To ensure transparency and accountability

- C) To increase market competition
- D) To reduce production costs

22. **What is the role of stakeholders in corporate governance?**
    - A) They own the company
    - B) They influence company policies and decisions
    - C) They manage daily operations
    - D) They regulate market competition
23. **What was the main recommendation of the Cadbury Committee?**
    - A) Increase production
    - B) Improve corporate governance practices
    - C) Enhance marketing strategies
    - D) Reduce employee turnover
24. **Which committee's recommendations led to the establishment of the code of corporate governance in India?**
    - A) Narasimham Committee
    - B) Kumaramangalam Birla Committee
    - C) Sarkaria Committee
    - D) Kelkar Committee
25. **What is the role of non-executive directors?**
    - A) Managing daily operations
    - B) Providing independent oversight and advice
    - C) Developing marketing strategies
    - D) Increasing sales revenue

SECTION B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

26. Discuss the importance of the internal environment in business.
27. Explain the factors influencing the economic environment.
28. Analyze the role of the Competition Commission of India in preventing anti-competitive practices.
29. Describe the impact of CSR on corporate reputation.
30. Discuss the ethical considerations in corporate disclosure and insider trading.
31. Explain the importance of corporate governance models.
32. Analyze the role of the audit committee in corporate governance.
33. Discuss the significance of the National Manufacturing Policy.

SECTION C

Answer any One question. Each question carries Ten marks. [1 × 10 = 10]

34. Explain the relationship between business ethics and corporate social responsibility.
35. Discuss the impact of the recommendations of the Confederation of Indian Industries on corporate governance.
36. Analyze the ethical issues in functional areas such as marketing, finance, and corporate takeovers.
37. Describe the role of the chief executive officer in the separation of ownership and management.

MCOHSC-1.2A/D

First Semester M.Com. Degree Online Examination

January - 2025

(SLM Scheme) (CBCS)

COMMERCE

Indian Financial System

Time: 3 Hours **Max. Marks : 80**

SECTION – A (25 MCQ/Objective type questions)

Answer all the questions. Each question carries 2 marks **[25 x 2 = 50]**

1. With whom does the ownership of Public sector banks rest?
   a) Government of India
   b) Jointly with Government of India and share-holders from the public
   c) Jointly with Government of India and State Bank of India
   d) Jointly with Government of India and Reserve Bank of India
2. Which of the following is a function of the financial system?
   a) Resource allocation
   b) Price stabilization
   c) Encouraging thrift
   d) All of the above

3. What is the primary difference between the money market and the capital market?
   a) Liquidity
   b) Maturity period of instruments
   c) Regulatory authority
   d) Risk involved

4. Which of the following is not a characteristic of a developed money market?
   a) High liquidity
   b) Integrated markets
   c) Absence of risk
   d) Active participation by intermediaries

5. Which financial instrument represents ownership in a company?
   a) Bonds
   b) Debentures
   c) Equity shares
   d) Certificates of deposit

6. Which limitation is commonly associated with the Indian financial system?
   a) Lack of financial instruments

b) High level of illiteracy
c) Over-regulation
d) Limited role of government

7. Which of these is a primary function of the primary market?
   a) Buying and selling of existing securities
   b) Facilitating new capital raising
   c) Providing market liquidity
   d) Regulating insider trading

8. Who regulates the guidelines for IPOs in India?
   a) Reserve Bank of India (RBI)
   b) Securities and Exchange Board of India (SEBI)
   c) Ministry of Finance
   d) Stock Exchanges

9. Online trading is an example of which type of trading?
   a) Open outcry trading
   b) Automated trading
   c) Over-the-counter trading
   d) Arbitrage trading

10. Which of the following is a key function of a stock exchange?
    a) Issuing new securities
    b) Conducting audits of companies
    c) Facilitating liquidity for securities
    d) Setting monetary policies

11. Which method of trading in the stock exchange involves the use of technology?
    a) Arbitrage trading
    b) Online trading
    c) Floor trading
    d) Cross-border trading

12. Which institution was established as India's first development bank?
    a) IDBI
    b) IFCI
    c) SIDBI
    d) UTI

13. What is a key service provided by NBFCs?
    a) Issuing currency
    b) Providing short-term loans
    c) Accepting demand deposits
    d) Regulating interest rates

14. Which organization focuses on promoting exports from India?
    a) RBI
    b) EXIM Bank
    c) SIDBI
    d) LIC

15. What is the primary focus of SIDBI?
    a) Large-scale industries
    b) Small and medium enterprises (SMEs)
    c) Agricultural credit
    d) Housing finance

16. Which organization manages India's life insurance sector?
    a) LIC
    b) GIC
    c) SEBI
    d) RBI

17. What does the investment policy of a bank primarily focus on?
    a) Liquidity, safety, and profitability
    b) Risk minimization and lending
    c) Customer satisfaction and safety
    d) Asset diversification

18. What is a key factor influencing a bank's liquidity?
    a) Profit margins
    b) Loan portfolio
    c) Reserve requirements
    d) Asset turnover

19. "Scheduled bank" in India means a bank : a) Incorporated under the Companies Act, 1956 b) Authorized to the Banking business c) Governed by the Banking Regulation Act, 1949 d) Included in the Second schedule to the Reserve Bank of India Act 1934

20. What are the primary components of the financial system?
    a) Financial institutions, financial markets, financial services, financial instruments
    b) Banks, insurance companies, stock market, SEBI
    c) Public sector, private sector, foreign investments, mutual funds
    d) None of the above

21. What is the significance of the capital market in the financial system?
    a) Facilitates short-term financing
    b) Provides a platform for long-term investment
    c) Ensures government control over businesses
    d) Enhances currency circulation

22. What is the main role of NBFCs?
    a) Accepting demand deposits
    b) Providing financial services without being a bank
    c) Issuing government securities
    d) Regulating the stock market

23. SIDBI primarily caters to the needs of:
    a) Large corporations
    b) Small and medium enterprises
    c) Exporters
    d) Insurance companies

24. What is the purpose of SEBI's credit rating regulations?
    a) Promote financial inclusion
    b) Prevent malpractices in credit ratings
    c) Monitor stock exchange operations
    d) Ensure government revenue

25. What is the primary focus of corporate governance under SEBI regulations?
    a) Enhancing shareholder value
    b) Tax management
    c) Employee welfare
    d) Promoting foreign investment

SECTION – B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

26. Discuss the types of financial markets and their inter-relationship.
27. Describe the primary market scenario in India.
28. What is a stock market index? Which are the major indices in India?
29. State the listing norms prescribed by the SEBI for small and medium enterprises?
30. Discuss the role of RBI as a monetary authority.
31. What is leasing? State the importance of leasing.
32. Distinguish between Hire purchase and Instalment Purchase.
33. What is factoring? Explain the types and mechanism of factoring.

SECTION - C

Answer any One question. It carries Ten marks. [1 × 10 = 10]

34. State the powers and functions of the SEBI.
35. Discuss the role of the RBI as a regulator and supervisor of financial system.

36. What is international factoring? How does it differ from forfaiting? Explain the mechanism of international factoring.
37. State the obligations, rights and responsibilities of the lessor and the lessee.

MCOHC-1.1

First Year M.Com. Degree Online Examination, January – 2025
COMMERCE

Management and Behavioural Process

Time:3 Hours **Max Marks:80**

SECTION – A

Answer all the Multiple Choice Questions. Each Question Carries 2 marks

(25X2=50)

1. Management is _____ in order to create a surplus.
   A. an art
   B. a science
   C. both A & B
   D. None of these

2. Management skills applies to managers at _____.
   A. Middle levels in an organization
   B. Top levels in an organization
   C. Executive levels in an organization
   D. All levels in an organization

3. To manage is to forecast and plan, to organize, to compound, to co-ordinate and to control. This definition was given by_____.
   A. Peter F. Drucker.
   B. Henry Fayol.
   C. Louis Allan.
   D. Terry.

4. Managerial skills involves _____.
   A. Technical skills
   B. Human skills
   C. Conceptual skills
   D. All of the above

5._____ represents the lower level management covering execution and implementation functions.
   A. Administrative Management
   B. Operative management
   C. Co-operative management

D. All of the above

6. _____ is the prominent name associated with Hawthorne Studies?
   A. Elton Mayo
   B. Fredrick W. Taylor
   C. Henry Fayol
   D. Robert Owen

7. Management by objectives processes of _____.
   A. Helps organization members to see their accomplishments
   B. Reinforces a positive work environment
   C. Reinforces a sense of achievement
   D. All of the above

8. Staffing is a managerial function and involves _____.
   (a) Attracting human resources
   (b) Acquiring human resources
   (c) Activating human resources
   (d) All of the above

9. _____ refers to the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve their objectives.
   (a) Planning
   (b) Organising
   (c) Staffing
   (d) Directing

10. _____ of the following is not an element of directing.
   (a) Supervision
   (b) Communication
   (c) Leadership
   (d) Inspection

11. Responsibility always flows from _____.
   A. Superior to subordinate
   B. Subordinate to superior
   C. Both 'A' and 'B'
   D. None of the above

12**. Authority always flows from.**
   A. Superior to subordinate

B. Subordinate to superior
C. Both ‘A’ and ‘B’
D. None of the above

13. Controlling is related to _____.
a) Results
b) Individuals
c) Things
d) Managers

14. _____ full form of PERT.
a) Performance evaluation report technique
b) Personnel enquiry retrieving technique
c) Programme evaluation and review technique
d) None of the above

15. What is the definition of organizational conflict?
a)A collaborative agreement between employees and management
b) A disagreement that arises when two or more parties have opposing interests, values, or goals
c)The absence of communication in an organization
d) The collective achievement of organizational goals

16. What is the primary goal of conflict resolution in organizations?
a) To eliminate disagreements permanently
b) To improve understanding and relationships among team members
c) To suppress emotions and ensure compliance
d) To establish a single authority to decide outcomes

17. Which of the following is a visible element of organizational culture?
a) Shared assumptions
b) Beliefs and values
c) Artifacts and symbols
d) Organizational goals

18. Who is often credited with introducing the concept of organizational culture in management studies?
a) Peter Drucker
b) Edgar Schein
c) Elton Mayo
d) Henry Fayol

19. What term is used to describe the process of integrating new employees into an organization's culture?
a) Recruitment
b) Orientation

c) Onboarding
d) Assimilation

20. Which of the following is NOT a method to shape or change organizational culture?
a) Leadership modeling desired behaviors
b) Setting clear policies and standards
c) Rewarding behaviors aligned with desired values
d) Ignoring employee feedback

21. How can an organization measure its culture?
a) By analyzing its financial statements
b) Through employee surveys, feedback, and observation of behaviors
c) By assessing the number of employees hired each year
d) Through annual marketing reviews

22. What is the primary purpose of organizational culture?
a) To create a rigid work environment
b) To influence employee behavior and establish a shared sense of purpose
c) To develop financial strategies
d) To determine employee compensation

23. Which of the following is NOT a characteristic of organizational culture?
a) Stability
b) Flexibility
c) Individual values
d) Shared beliefs

24. Which type of culture emphasizes collaboration, employee involvement, and teamwork?
a) Market culture
b) Hierarchy culture
c) Clan culture
d) Adhocracy culture

25. Which factor most influences the development of an organization's culture?
a) Technology used in the organization
b) The organization's size and structure
c) Leadership and management practices
d) The physical office layout

SECTION – B

Answer any Four questions. Each question carries Five marks (4 x 5 = 20)

26. Describe the concept of decision-making in management.

27. What is meant by organizational structure? List its types.

28. Briefly explain the concept of span of control.

29. Define organizational behavior and its scope.

30. What is organizational citizenship behavior?

31. What is personality? List the Big Five personality traits.

32 What is the role of a manager in decision-making?
33. Define **leadership** and briefly explain any two leadership styles.

SECTION – C

Answer any One question, carries Five marks (1 x 10 =10)

34. Explain the concept of emotional intelligence with suitable example.

35. Explain the principles of scientific management as proposed by F.W. Taylor.

36. What is meant by organizational structure? List and explain its types.

37. Describe the impact of workplace diversity on team performance.

xxxxx

MCOHC-1.3

First Semester M.Com. Degree Online Examination,
January – 2025
(SLM Scheme) (CBCS)
COMMERCE
Marketing Management

Time: 3 Hours Max. Marks: 80

SECTION – A

Answer all the questions. Each question carries 2 marks. [25 x 2 = 50]

1. The concept of 'Market Segmentation' can be best defined as:
   a) Dividing the market based on the demographic factors of the population
   b) Dividing the market into homogeneous groups of customers with similar needs or behaviors
   c) Dividing the market based on geographical regions only
   d) Identifying the different distribution channels for products in the market
2. Which of the following is NOT considered an uncontrollable factor in the marketing environment?
   a) Technological advancements
   b) Government regulations
   c) Competitor actions
   d) Company resources and capabilities
3. In the context of marketing as a process, which of the following stages occurs first?
   a) Developing the marketing strategy
   b) Identifying the target market
   c) Conducting market research
   d) Designing the marketing mix
4. The 'Price' component of the marketing mix primarily refers to:
   a) The amount a customer is willing to pay for a product
   b) The cost to the company to produce the product
   c) The perceived value of the product
   d) The number of units sold by the company
5. Which of the following is NOT a component of the marketing concept?
   a) Customer Orientation
   b) Profit Orientation
   c) Societal Marketing Orientation
   d) Production Orientation
6. Which of the following is a characteristic of consumer behavior analysis?
   a) It focuses only on the economic factors influencing purchases
   b) It helps in predicting which product features are most likely to appeal to the target market
   c) It is irrelevant in product positioning and development
   d) It does not take into account psychological or emotional factors

7. The 'Place' element of the marketing mix involves decisions related to:
   a) Setting the retail price for the product
   b) Creating promotional campaigns to attract customers
   c) Selecting the right channels for distributing the product
   d) Designing product packaging
8. What is meant by the term 'Product' in marketing?
   a) Only physical commodity
   b) A good or service offered to meet a consumer's need or want
   c) A service provided for free
   d) Only a product's price
9. Why is new product development important for businesses?
   a) It eliminates the need for advertising
   b) It helps businesses maintain a competitive edge and meet changing customer needs
   c) It focuses on cost-cutting
   d) It eliminates older products
10. What does branding primarily help to achieve?
   a) Define the manufacturing process
   b) Differentiate a product from competitors in the market
   c) Reduce production costs
   d) Increase product size
11. Which of the following is a component of the promotion mix?
   a) Pricing strategy
   b) Advertising
   c) Inventory management
   d) Product development
12. What is the primary purpose of advertising?
   a) To promote a product or service
   b) To educate customers
   c) To build brand loyalty
   d) To reduce costs
13. What is the main function of a distribution channel?
   a) To promote products
   b) To transport goods
   c) To connect manufacturers to end consumers
   d) To reduce production costs
14. What is the purpose of product-line pricing?
   a) To offer discounts on bulk purchases
   b) To price products at different levels based on features
   c) To set a uniform price for all products
   d) To reduce costs for production

15. What is the primary importance of marketing research?
    a) To understand customer needs and preferences
    b) To reduce advertising costs
    c) To analyze competitor strategies
    d) To increase market competition
16. Which element is not part of the marketing mix for services?
    a) Product
    b) Price
    c) Place
    d) Packaging
17. Which of the following is a key feature of rural marketing?
    a) High purchasing power
    b) Urban location focus
    c) Low competition
    d) Focus on mass communication
18. Which of the following is considered an unfair marketing practice?
    a) Ethical pricing strategies
    b) False advertising
    c) Transparent communication
    d) Product diversification
19. What is the main challenge in global marketing?
    a) Limited product range
    b) Cultural and language differences
    c) National borders
    d) Price sensitivity
20. Which promotional tool focuses on building positive relationships with media and the public?
    a) Advertising
    b) Personal selling
    c) Public relations
    d) Sales promotion
21. Which of the following is a characteristic of a product in the decline stage of its life cycle?
    a) Rapid sales growth
    b) Saturation of the market
    c) Product innovation and differentiation
    d) Increased market share
22. The service quality model includes all of the following dimensions except:
    a) Reliability
    b) Assurance
    c) Price
    d) Tangibles

23. Which of the following is an example of an unfair advertising practice?
   a) Substantiating claims with proof
   b) Hiding material facts about the product
   c) Clear and honest disclosure of terms
   d) Offering customer satisfaction guarantees
24. Which of the following best defines 'Marketing as a Process'?
   a) The step-by-step procedure of creating advertisements
   b) The series of activities aimed at identifying, anticipating, and satisfying customer needs
   c) The direct selling of products to customers
   d) The systematic pricing and distribution of products in the market
25. Which of the following factors primarily influences a consumer's purchasing decision in the 'Social' context?
   a) The consumer's economic situation
   b) The influence of family, friends, and social groups
   c) The consumer's psychological needs
   d) The consumer's perception of product quality

SECTION – B

Answer any four questions. Each question carries five marks. [4 × 5 = 20]

26. Explain the concept of 'Buying Motives.' How do emotional and rational motives differ, and how can businesses leverage them in marketing communications?
27. Explain the concept of the marketing mix and its importance in developing effective marketing strategies.
28. Branding and packaging are critical elements of a product's positioning. Explain how branding decisions and packaging strategies impact consumer perception, loyalty, and product differentiation.
29. In the digital age, promotional strategies are constantly evolving. Discuss how modern marketing communications tools have transformed the promotion mix.
30. Explain the process of media selection in advertising. What factors should be considered when selecting the appropriate media for an advertising campaign?
31. Explain the role of distribution channels in marketing. How do distribution channels contribute to the overall success of a product?
32. Analyze the marketing mix for services and discuss how each element of the mix are critical to the success of a service organization.
33. Discuss the profile of rural demand in India and explain the unique characteristics of rural consumers.

SECTION - C

Answer any one question. Each question carries ten marks. [1 × 10 = 10]

34. Discuss the stages of the consumer decision-making process. How can marketers influence each stage to increase the likelihood of a purchase?

35. Elaborate on the importance of new product development for businesses in today's competitive market. Discuss the key stages involved in the new product development process.
36. Analyze the significance of physical distribution in modern marketing. Discuss the factors that influence the physical distribution strategy and its impact on customer satisfaction.
37. Examine the concept of service quality and the strategies that service organizations can adopt to improve service quality and customer satisfaction.

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MASTER'S PREPARATORY PROGRAMME EXAMINATION, JANUARY 2025

M.Com. – Commerce

Time : 2 Hours **Max. Marks : 100**

COMMERCE
(Core Subject)

Objective Types Questions

1. **What is the primary purpose of business law?**
   A) To promote profits
   B) To ensure fair trade practices and legal compliance
   C) To manage corporate taxes
   D) To develop marketing strategies

2. **Which of the following is a source of business law?**
   A) Ethical practices
   B) Customs and traditions
   C) Statutes and judicial decisions
   D) Social media policies

3. **What is a contract as per the Indian Contract Act, 1872?**
   A) A promise to donate
   B) An agreement enforceable by law
   C) A moral obligation
   D) A social arrangement

4. **Which of the following is NOT a valid essential element of a contract?**
   A) Offer and acceptance
   B) Legal consideration
   C) Free consent
   D) Agreement by coercion

5. **What does the term "caveat emptor" mean in business law?**
   A) Buyer beware
   B) Seller beware
   C) Warranty included
   D) Mutual agreement

6. **Which law governs the regulation of companies in India?**
   A) Indian Contract Act, 1872
   B) Companies Act, 2013
   C) Sale of Goods Act, 1930
   D) Partnership Act, 1932

7. **What is the minimum number of members required to form a private limited company in India?**
   A) 1
   B) 2
   C) 5
   D) 7

8. **Under the Sale of Goods Act, 1930, which of the following is considered a "good"?**
   A) Money
   B) Shares
   C) Trademark
   D) Tangible movable property

9. **What is the maximum number of partners allowed in a partnership as per the Partnership Act, 1932?**
   A) 10
   B) 20
   C) 50
   D) Unlimited

10. **Which law regulates consumer rights in India?**
    A) Consumer Protection Act, 2019
    B) Competition Act, 2002
    C) Contract Act, 1872
    D) Negotiable Instruments Act, 1881

11. Which of the following is a nominal account?
    A) Cash Account
    B) Machinery Account
    C) Salary Account
    D) Capital Account

12. What is the primary purpose of a trial balance?
    A) To prepare financial statements
    B) To record transactions
    C) To check the arithmetical accuracy of ledger accounts
    D) To calculate net profit

13. Which of the following is an intangible asset?
    A) Machinery
    B) Patents
    C) Inventory
    D) Debtors

14. Depreciation is charged on:
    A) Current assets
    B) Fixed assets
    C) Intangible assets

D) Liabilities

15. Which accounting concept states that business transactions should be separate from the personal transactions of the owner?
    A) Going Concern
    B) Business Entity
    C) Accrual
    D) Prudence

16. The basic problem of economics is:
    A) Inflation
    B) Poverty
    C) Scarcity
    D) Growth

17. Which market structure has a single seller?
    A) Perfect Competition
    B) Monopoly
    C) Oligopoly
    D) Monopolistic Competition

18. Law of Demand states:
    A) Price and demand are directly proportional
    B) Price and demand are inversely proportional
    C) Supply creates its own demand
    D) Demand remains constant irrespective of price changes

19. Elasticity of demand measures:
    A) Change in price due to demand
    B) Change in demand due to price
    C) Market equilibrium
    D) Quantity demanded at a specific price

20. The slope of a production possibility curve is:
    A) Positive
    B) Negative
    C) Zero
    D) Infinite

21. The primary objective of business is:
    A) Social responsibility
    B) Profit maximization
    C) Customer satisfaction
    D) Market share

22. Which of the following is a feature of a partnership?
    A) Limited liability
    B) Separate legal entity
    C) Mutual agency

D) Perpetual succession

23. The management function that involves setting objectives is:
    A) Planning
    B) Organizing
    C) Directing
    D) Controlling

24. What does SWOT analysis stand for?
    A) Strengths, Weaknesses, Opportunities, Threats
    B) System, Work, Objectives, Technology
    C) Strategies, Weaknesses, Operations, Tasks
    D) Standards, Workforce, Objectives, Techniques

25. Which of the following is an external source of recruitment?
    A) Promotion
    B) Transfer
    C) Campus recruitment
    D) Internal notifications

26. What is the full form of CRR in banking?
    A) Cash Reserve Ratio
    B) Credit Reserve Ratio
    C) Capital Reserve Ratio
    D) Cash Resource Ratio

27. A negotiable instrument includes:
    A) Currency notes
    B) Bonds
    C) Bills of Exchange
    D) Treasury bills

28. In stock markets, a "bull" refers to:
    A) A pessimistic investor
    B) An optimistic investor
    C) A speculator
    D) A risk-averse investor

29. What is the main purpose of a credit rating agency?
    A) Provide loans
    B) Evaluate creditworthiness
    C) Issue bonds
    D) Regulate banks

30. Which of the following is an example of direct tax?
    A) GST
    B) Income Tax
    C) Sales Tax
    D) Custom Duty

31. What is the primary goal of human resource management?
    A) Hiring employees
    B) Maximizing employee performance
    C) Providing training
    D) Reducing costs

32. Which of the following is NOT a function of HRM?
    A) Recruitment
    B) Financial auditing
    C) Training and development
    D) Performance appraisal

33. The process of attracting, selecting, and appointing suitable candidates is called:
    A) Orientation
    B) Recruitment
    C) Training
    D) Retention

34. What does the abbreviation "KRA" stand for in HRM?
    A) Key Responsibility Areas
    B) Key Recruitment Analysis
    C) Key Resource Allocation
    D) Knowledge Retention Approach

35. Which of the following is an on-the-job training method?
    A) Case study
    B) Role-playing
    C) Job rotation
    D) Lectures

36. The document that outlines the duties, responsibilities, and qualifications for a job is called:
    A) Offer letter
    B) Job specification
    C) Job description
    D) Job evaluation

37. Which law in HRM ensures non-discrimination in the workplace?
    A) Equal Pay Act
    B) Fair Labor Standards Act
    C) Civil Rights Act
    D) Occupational Safety and Health Act

38. What is the term for reducing the workforce to improve efficiency?
    A) Layoff
    B) Downsizing
    C) Demotion
    D) Attrition

39. Employee motivation is a focus area of which HR function?
    A) Training and development
    B) Compensation management
    C) Performance management

D) Employee relations

40. Which of the following is an intrinsic motivator for employees?
    A) Bonus
    B) Promotion
    C) Job satisfaction
    D) Salary
41. What is the "4Ps" of marketing?
    A) Product, Promotion, Price, Place
    B) Product, Profit, Price, People
    C) Product, Process, Price, Place
    D) Promotion, Price, People, Process

42. The process of dividing a market into smaller segments based on characteristics is called:
    A) Targeting
    B) Positioning
    C) Market segmentation
    D) Branding

43. What does a “brand” primarily aim to establish?
    A) Product cost
    B) Customer loyalty
    C) Inventory levels
    D) Distribution channels

44. Which of the following is an example of sales promotion?
    A) A TV advertisement
    B) A social media post
    C) A "Buy One Get One Free" offer
    D) A customer service call

45. The marketing strategy of focusing on a narrow market segment is called:
    A) Differentiation
    B) Niche marketing
    C) Mass marketing
    D) Direct marketing

46. In marketing, the term "USP" stands for:
    A) Universal Selling Process
    B) Unique Selling Proposition
    C) Unique Sales Pitch
    D) Uninterrupted Sales Promotion

47. Which of the following is a primary research method?
    A) Internet research
    B) Focus groups
    C) Reading industry reports
    D) Government publications

48. What is the primary purpose of market research?
    A) Increase sales
    B) Understand customer needs
    C) Develop advertisements

D) Monitor competitors

49. Which of the following is a type of pricing strategy?
    A) Product line
    B) Skimming
    C) Penetration
    D) Both B and C

50. A product's life cycle consists of:
    A) Development, launch, promotion, decline
    B) Introduction, growth, maturity, decline
    C) Inception, growth, saturation, exit
    D) Launch, rise, peak, fall

51. What is the primary function of a financial institution?
    A) Manufacturing goods
    B) Facilitating the flow of funds in the economy
    C) Offering agricultural support
    D) Providing technical services

52. Which of the following is an example of a financial institution?
    A) Hospital
    B) Insurance company
    C) Supermarket
    D) School

53. What is the main purpose of a central bank?
    A) Granting personal loans
    B) Regulating the money supply and financial stability
    C) Selling mutual funds
    D) Providing investment advice

54. The Reserve Bank of India (RBI) is an example of:
    A) A commercial bank
    B) A cooperative bank
    C) A central bank
    D) An investment bank

55. Which financial institution deals primarily with long-term loans for industrial development?
    A) Commercial banks
    B) Development banks
    C) Cooperative banks
    D) Regional rural banks

56. What does the term **NBFC** stand for?
    A) Non-Banking Financial Corporation
    B) National Banking Financial Corporation
    C) Non-Banking Financial Company
    D) Non-Budgetary Finance Company

57. A mutual fund is an example of:
    A) A credit institution
    B) A financial intermediary
    C) A government agency
    D) A central bank

58. Which of the following institutions is NOT considered a financial institution?
    A) Commercial banks
    B) Insurance companies
    C) Universities
    D) Pension funds

59. The institution that facilitates international trade and promotes global economic stability is:
    A) World Bank
    B) International Monetary Fund (IMF)
    C) Asian Development Bank
    D) European Central Bank

60. What is the main source of income for commercial banks?
    A) Selling government bonds
    B) Interest earned on loans and advances
    C) Taxes collected
    D) Fees for internet banking

61. Which of the following is a key role of development financial institutions?
    A) Providing short-term credit
    B) Offering venture capital
    C) Managing foreign exchange reserves
    D) Issuing currency notes

62. Which type of financial institution is primarily responsible for underwriting and issuing new securities?
    A) Commercial banks
    B) Cooperative banks
    C) Central banks
    D) Investment banks

63. What is the role of a credit rating agency?
    A) Lending money to the government
    B) Issuing licenses to banks
    C) Evaluating the creditworthiness of borrowers
    D) Managing savings accounts

64. Which financial institution provides loans to small farmers and rural businesses?
    A) Urban cooperative banks
    B) Regional rural banks (RRBs)
    C) Private banks
    D) Central banks

65. The term **LIBOR** is associated with:
    A) Stock markets
    B) Agricultural credit
    C) International banking interest rates
    D) Corporate taxation

66. Which of the following institutions insures bank deposits in India?
    A) SEBI
    B) IRDAI
    C) DICGC
    D) NABARD

67. Which institution regulates the stock market in India?
    A) RBI
    B) SEBI
    C) IRDAI
    D) SIDBI

68. A financial institution that collects savings and provides retirement benefits is called:
    A) Pension fund
    B) Insurance company
    C) Central bank
    D) Commercial bank

69. What does **FDI** stand for in financial terms?
    A) Foreign Development Investment
    B) Foreign Direct Investment
    C) Federal Domestic Investment
    D) Fiscal Development Initiative

70. Which financial institution primarily supports agriculture and rural development in India?
    A) RBI
    B) NABARD
    C) ICICI Bank
    D) SIDBI

71. What is the main function of a financial system?
    A) Production of goods
    B) Regulation of trade
    C) Managing government accounts
    D) Allocation of financial resources

72. The financial system consists of which of the following components?
    A) Financial institutions, financial markets, and financial instruments
    B) Financial products, accounting, and marketing
    C) Banks, insurance, and agriculture
    D) Manufacturing, logistics, and technology

73. Which of the following is a primary market instrument?

A) Equity shares
B) Treasury bills
C) Debentures
D) Commercial papers

74. The secondary market is also known as:
A) Money market
B) Capital market
C) Stock market
D) Bond market

75. Which of the following is a characteristic of a developed financial system?
A)Lack of liquidity
B)Well-regulated financial markets
C)Minimal financial institutions
D)Restrictive credit policies

76. What is the primary role of the money market?
A) To facilitate long-term investments
B) To provide short-term financing
C) To regulate monetary policy
D) To issue equities

77. Which of the following is NOT a financial institution?
A) Commercial banks
B) Stock exchanges
C) Pension funds
D) Supermarkets

78. What does **SEBI** regulate in the financial system?
A) Banking sector
B) Foreign exchange
C) Capital markets
D) Insurance

79. In India, the apex body of the financial system is:
A) SEBI
B) Reserve Bank of India (RBI)
C) NABARD
D) IRDAI

80. The financial system ensures:
A) Increased trade barriers
B) Efficient allocation of resources
C) Government spending control
D) Industrial production

81. The capital market deals with:

A) Long-term funds
B) Short-term funds
C) Foreign exchange
D) Agricultural loans

82. What does the term "liquidity" mean in the financial system?
A) The ability to earn profits
B) The ability to convert assets into cash quickly
C) The ability to manage risks
D) The ability to issue securities

83. Treasury bills are issued by:
A) Private companies
B) Commercial banks
C) Central banks
D) Cooperative societies

84. What is a financial derivative?
A) A primary market instrument
B) A short-term debt instrument
C) A contract whose value is derived from an underlying asset
D) A government bond

85. Which financial market facilitates the trading of already-issued securities?
A) Primary market
B) Secondary market
C) Money market
D) Derivatives market

86. Which of the following is a regulator of the insurance sector in India?
A) RBI
B) SEBI
C) IRDAI
D) NABARD

87. What is the primary goal of the financial system?
A) Maximizing government control
B) Ensuring economic growth
C) Providing subsidies
D) Promoting international trade

88. Which financial instrument is considered a liability for the issuing company?
A) Shares
B) Bonds
C) Mutual funds
D) Derivatives

89. What does the term "credit creation" refer to in the financial system?
A) Granting of loans by banks
B) Issuing equity shares

C) Funding government projects
D) Printing of currency

90. Which of the following is an example of a financial intermediary?
A) Stock exchange
B) Commercial bank
C) Central bank
D) Credit rating agency

91. **Which of the following is considered the primary function of management?**
A) Marketing
B) Selling
C) Auditing
D) Planning

92. **Who is known as the "Father of Scientific Management"?**
A) Henry Fayol
B) Peter Drucker
C) Frederick W. Taylor
D) Elton Mayo

93. **Which management function involves assigning tasks and delegating authority?**
A) Planning
B) Organizing
C) Controlling
D) Leading

94. **What does the term "span of control" in management refer to?**

A) The number of levels in the organization
B) The number of subordinates a manager can effectively supervise
C) The duration of a project
D) The time taken to implement a decision

95. Which of the following pricing strategies involves setting a high initial price for a new product to maximize revenue from early adopters?

A)Penetration pricing
B)Skimming pricing
C)Psychological pricing
D)Competitive pricing

Answer: D). Skimming pricing

96. In which stage of the product life cycle is a product typically experiencing rapid market acceptance and increasing profits?

A. Introduction
B. Maturity
C. Decline

D. Growth

98. Which of the following is NOT a stage in the product development process?

A. Idea generation
B. Market testing
C. Product pricing
D. Commercialization

98. What is the measure of central tendency that represents the middle value in an ordered dataset?

A. Mean
B. Median
C. Mode
D. Range

99. In probability, what is the sum of probabilities of all possible outcomes of an experiment?

A. 0
B. 1
C. Depends on the outcomes
D. Cannot be determined

100. Which of the following graphical methods is used to display the frequency distribution of a dataset?

A. Histogram
B. Scatter plot
C. Pie chart
D. Line graph

Set - 1

First Semester, Online Master Degree Examination, January – 2025
OPEN ELECTIVE COURSE FOR STUDENTS OF OTHER DISCIPLINE
SLM Scheme (Choice Based Credit System)
Course: PERSONAL FINANCIAL PLANNING

Time: 1 hour 30 minutes **Max. Marks: 40**

Answer all the Multiple Choice Questions. Each carries two marks

(20X2=40)

1. What is the primary purpose of personal financial planning?
   A. Maximizing tax liability
   B. Managing personal finances to achieve financial goals
   C. Eliminating all forms of debt
   D. Investing solely in physical assets

2. Time value of money is important because:
   A. Money today is worth less than the same amount in the future
   B. It helps in calculating compound interest
   C. Money today is worth more than the same amount in the future
   D. It is only applicable in long-term investments

3. Which financial statement is used to determine an individual's net worth?
   A. Income statement
   B. Balance sheet
   C. Cash flow statement
   D. Tax return

4. What is the first step in the financial planning process?
   A. Preparing financial statements
   B. Setting financial goals
   C. Identifying investment opportunities
   D. Selecting a financial planner

5. An informal budget is:
   A. A detailed monthly expense tracker
   B. A rough estimate of income and expenses
   C. A professional financial statement
   D. Mandatory for tax filings

6. Which of the following is a financial investment?
   A. Jewelry
   B. Bonds
   C. Real estate
   D. Antiques

7. What is the primary purpose of a savings plan?
   A. To fund short-term expenses
   B. To maximize tax liability
   C. To achieve long-term financial goals
   D. To avoid emergency expenses

8. Which of the following is a savings instrument?
   A. Mutual funds
   B. Derivatives
   C. Stocks
   D. Fixed deposits

9. Tax-saving schemes are designed to:
   A. Minimize tax liability legally
   B. Maximize taxable income
   C. Eliminate taxes completely
   D. Fund high-risk investments

10. What does risk-return analysis evaluate?
    A. The guaranteed returns of investments
    B. The trade-off between potential risk and return
    C. The tax implications of investments
    D. The liquidity of investments

11. Mutual funds are best described as:
    A. High-risk individual investments
    B. Diversified portfolio managed by professionals
    C. Physical investments like gold
    D. Tax-free income sources

12. Derivatives are:
    A. Financial instruments derived from other assets
    B. Physical assets
    C. Long-term savings plans
    D. Risk-free investments

13. Life insurance primarily covers:
    A. Non-life risks
    B. Property damage
    C. Motor vehicle accidents
    D. The financial impact of death

14. General insurance includes:
    A. Medical coverage only
    B. Life insurance policies
    C. Non-life risks like property and motor insurance
    D. Retirement benefits

15. Which of the following is typically covered under medical insurance but not health insurance?
    A. Pre- and post-hospitalization expenses
    B. Daily cash benefits
    C. In-patient treatment
    D. Preventive health check-ups

16. What does retirement planning primarily aim to achieve?
    A. Maximizing short-term financial returns
    B. Ensuring financial independence post-retirement
    C. Reducing current expenses
    D. Increasing working hours

17. Which of the following is the first step in retirement planning?
    A. Retirement need analysis
    B. Investing in mutual funds
    C. Choosing an annuity plan
    D. Applying for gratuity benefits

18. Which of the following is NOT a benefit of retirement planning?
    A. Peace of mind in later years
    B. Increased tax liability
    C. Financial security during retirement
    D. Better healthcare affordability

19. Section 45 of the Income Tax Act pertains to:
    A. Income from house property
    B. Salary income
    C. Computation of capital gains
    D. Corporate tax rates

20. The National Rural Health Mission focuses on:
    A. Urban healthcare services
    B. Strengthening rural healthcare systems
    C. Providing health insurance for corporate employees
    D. Financing advanced healthcare technology