+1 COMM Quarterly – SEPT 2026 Madurai (Dt)

Answer all questions 20 x 1= 20

1. **a) Angadi**
2. **a)Industry**
3. **b) Sole trading business**
4. **b) Karta**
5. **c) Memorandum of Association**
6. **c) Mismanagement**
7. **c) Cold storage**
8. **c) Indemnity contract**
9. **b) Cost reduction**
10. **b) President**
11. **d) All of them**
12. **c) Moral**
13. **a) Waybill**
14. **a) Rural Savings**
15. **b) Multinational Company**
16. **d) Accepting Deposits**
17. **c) Ethically upright behaviour**
18. **b) 1935**
19. **a) i ii iii iv v**
20. **a) A and R are correct and R is the correct explanation for A**

II.Answer any 7 Questions: 7 x 2 = 14

21.Nallangadi: The place where the goods were sold was called 'Angadi'. Day market was called as Nallangadi.

22.Sleeping partner: He contributes Capital and Shares in the Profits or Losses of the firm.But he does not take part in the management of the business.

23.What is a monopoly: A market situation in which there is only one seller selling a particular product is called Monopoly.

24. Mobile Banking: Most of the Commercial Banks have designed Computer Programs, called Apps which can be downloaded in Smart Phones.With this app in the smart phone a customer can operate his account transactions from anywhere. This service is known as mobile banking

25. Logistics: "Logistics is a logical extension of transportation and related areas to achieve an efficient and effective goods distribution system."

26. Chartered Company: Chartered Companies are established by the King or Queen of a country. Powers and Privileges of the Company are specified in the charter. E.g. East India Company, Bank of England.

27. Red-Tapism: There is too much of procedures which results in delay.Commercial organisation cannot afford delay in taking decisions.

28. Co-operative Societies: Cooperatives are formed by individuals who coordinate among themselves.

29. Regional Rural Banks: Their objective is to develop Rural Economy.And play supplementary role to co-operative societies.They mobilise deposits from the rural public .And provide finance to rural artisans, small entrepreneurs and farmers .And try to avoid their dependency on money lenders.

30. The invention of steam engine by **James Watt,** revolutionized the mode of transport all over the world.

Answer any 7 questions: 7 x 3 = 21

31. **E-commerce on buyers**:Buyers could buy the products or services round the clock from anywhere in the world . The prices of products bought through E-Commerce are relatively lower than those in the physical market.Electronic and Software products could be downloaded immediately after purchase.

32. Cold Storage Warehouse : These warehouses are used for storing perishable goods like fruits, vegetables, eggs, butter, fish, meat, etc.Goods stored in cold-storages can be made available, throughout the year.Goods are transported in refrigerated containers and stored in refrigerated warehouses.

33. . P**ledge:** A customer transfers the possession of an article with a creditor (banker) and receives loan . Till the repayment of Loan, the article is under the custody of the creditor. If the debtors fails to repay the loan, the creditor will auction the article pledged and adjust the outstanding loan

34. Types of social responsibility: i)Economic Responsibility **,**ii)Legal Responsibility, iii)Ethical Responsibility , iv)Discretionary Responsibility

.35.IRDA: Insurance Regulatory Development and Authority of India is the statutory, independent and apex body.That governs, regulates and supervises the insurance industry in India It was constituted in the year 2000, by Parliament of India Act, called IRDAI Act 1999. It's headquarters is in Hyderabad.

36. Bill of Lading: It is a document containing the terms and conditions of the contract of carriage.It is issued by the shipping company and signed by the captain of the Ship.It acknowledges the receipt of the goods described in it, on board the Ship.It also serves as an official receipt of goods.

37.Disadvantages of FDI.: EXPLOITING NATURAL RESOURCES: The FDI companies deplete natural resources. -As a result such resources are not available for the usage of common man in the host country.

HEAVY OUTFLOW OF CAPITAL: Foreign companies are said to be take away huge funds in the form of dividend, royalty fees etc. This cause a huge outflow of capital.

NOT TRANSFERING TECHNOLOGY: Some foreign enterprises do not transfer the technology in developing countries.They mostly transfer second hand technology to host countries.

38.Maruvurpakkam: Poompuhar had the 'Maruvurappakam' (inland town).It had market and bazaars where many merchants met for the purpose of selling or buying different commodities and food stuff.

Pattinappakkam: Pattinapakkam is a Coastal town. They were engaged in different kinds of fishing pearls, and conches and produced salts and built ships

39. Concept of Business Ethics:It is a set of moral standards to be followed by owners, managers and business people.These standards determine the conduct and behavior of business people. Business ethics reflects the conduct in the context of business.

40. What is the name of the insurance scheme offered by public insurance companies to ensure the education of children who are studying **Amartya Sen SikshaYojana**

Answer all the questions: **7 x 5 = 35**

41A).Business	**Profession**	**Employment**
1. Nature of Work: Goods and services provided to the public	Personalized service of expert nature	Performing work assigned by the employer
2. Qualifications: No minimum qualification is essential	Education and training in specialized field	Minimum qualification is essential
3. Capital: Capital investment required as per size of the firm	Limited capital necessary for establishment	No capital required
4. Reward: Profits	Professional fee	Salary or wages
5. Risk: Profits are uncertain and irregular	Fee is regular and certain, never negative	Fixed and regular pay, no risk
6. Transfer of Interest: Transfer possible with some formalities	Not possible	Not transferable

41.B)Explain the characteristics of Sole trading business

i) Ownership by one man: This is owned by single person This is owned by single person.The Sole Trader contributes Capital. He is the owner and manager of the entire business

ii) Freedom of Work and Quick Decision: As he is the only owner of his business, he need not consult anybody in decision making.Hence he can take quick decision

iii) Unlimited Liability: When Business Assets are not sufficient to pay business debts, he has to pay from his personal property.iv) Enjoying Entire Profit. He enjoys all the profits of his hard work.As there is no one else to share the profit with, He himself enjoys the full profit of the business.

v) Maintenance of Secrecy: Since the sole trader manages all the affairs of the business, the secrecy can be maintained easily.

42.A) Advantages of MNC's:

a) Low Cost Labour :MNC 's setup their facilities in low cost countries and produce goods and services at lower cost.

b) Proper use of idle resources:MNC's are in a position to properly utilise idle, Physical and Human resources of the host Country.

c) Quality Products:MNC's help in producing quality goods and services at least possible cost.

d) Improvement in standard of living: By providing super quality products and services, MNC's help to improve the standard of living of people of host countries.

e) Promotion of International Brotherhood and Culture:MNC's promote international brotherhood and culture and pave way for world peace and prosperity

42.B) What are the contents of Memorandum of Association:

a)Name Clause: It states the legal and recognised name of the company.The company name should not resemble the existing company name.

b)Situation Clause: It states the physical location of the registered office of the company

c)Objective Clause: It states the main objectives and ancillary objectives of the company. The objectives should be free from any provisions that contravene laws or public good.

d)Liability Clause: It states the liability of the shareholders of the Company.

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

43.A) Explain the Principles of Insurance:

i)Utmost good faith : According to this principle both insurer and insured should enter into contract, in good faith. Insured should provide all the information about the subject matter.Insurer should provide all the details regarding insurance contract

ii)Insurable Interest : Insurable Interest means the insured will suffer any financial loss due to damage or destruction of the property or person.

iii)Indemnity : Indemnity means compensate against loss or damages

43.B) Functions of Reserve Bank of India:

The Five Functions of the RBI can be grouped under three heads.

→ A. Leadership and Supervisory Functions
→ B. Traditional Functions and
→ C. Promotional Functions.

The following are the five functions of RBI

i) India's representative in World Financial Institutions :RBI represents government of India in International Bank for Reconstruction and Development (IBRD . i.e. World Bank) and International Monetary Fund (IMF) in which India is a member since December 27, 1945.

ii) Monetary Authority: The RBI Formulates, implements and monitors the monetary policy of the country in order to maintain price stability, controlling inflationary trends and economic growth.

iii) Monopoly of Note Issue: The RBI is the sole authority for the printing and issue of all Currency Notes in India, except 1 Re. Note

1 Re. Note and all coins are issued by the Ministry of Finance. Currency Notes are printed at Nasik, Dewas, Salboni, Mysore and Hoshangabad.

Iv) **Banker's Bank:**The RBI maintains the current accounts of all Commercial Banks in the country.All scheduled Banks should deposit a percentage of cash reserve with RBI.

v) Lender of the Last Resort: In times of emergency, any Bank in India can approach RBI for Financial Assistance. RBI provides them Credit All Banks can obtain Loan from RBI when their credits are exhausted

44.A) Advantages of Franchising:

i) REDUCED RISK - The franchisee will acquire the right of running the business thus eliminating the risk of starting a new business

ii) OPERATIONAL SUPPORT - The franchisee is provided assistance in not only finance also in deciding business location, design staff training and handling day-to-day operations.

iii) COST OF ADVERTISING - The cost of advertising for the franchisor will be reduced since this cost will be shared by the franchisee.

iv) BUSINESS EXPANSION - Franchising provides an opportunity to expand business at regional,national and global levels without additional expenditure

44.B)What are the benefits of corporate governance

Ensures stable growth of an organisation.Improves the images of the company.Ensures efficient allocation of resources.

- Creates a strong brand as on ethical business
- Has a positive impact on the share price
- Reduces the cost of capital for companies
- Improves investors confidence and enables raising of capital
- It Enables corporate success and economic development
- The organisation is managed to benefit the stakeholders
- Eliminates wastages, competition, risks and management

45.A)Explain the kinds of sources of Short-term Finance.

(i)Loans and Advances: Loan is a direct advance, made in lumpsum which is credited to Separate Loan Account, in the name of Borrower.It can be re-paid in one or more instalments .

(ii)Trade Credit: It is the credit extended by one trader to another for the purpose of purchasing goods and services.

It is very simple and convenient method of raising short-term Finance

(iii)Pledge: A customer transfers the possession of an article with a creditor (banker) and receives loan.Till the repayment of Loan, the article is under the custody of the creditor . If the debtors fails to repay the loan, the creditor will auction the article pledged and adjust the outstanding loan

(iv)Mortgage: It is a type of Loan taken from Bank, by

depositing the title deeds of Immovable Assets like Land & Building

(v)Clean Loan: Banks provide clean loan to certain customer on the basis of their character, capacity and capability without any physical security

45.B)Different Types of Warehouse:

A. Private Warehouses : These warehouses are built and owned by private business and enterprises To store the products produced by them.

B. Government Warehouses: They are created and operated by government. Their services are mostly available to government only.

C. Public Warehouses: It is open for public at large

They may be owned by an individual or some agency

They operate as per the rules and regulations of the government.

D. Bonded Warehouse: These warehouses are licensed by the government.They store imported goods for which customs duty not paid by the importer .

E. Cold storage: These warehouses are used for storing perishable goods like fruits, vegetables, eggs, butter, fish, meat, etc.Goods stored in cold-storages can be made available, throughout the year.

46.A) What are the features of Public Corporations

i. Special Statute: A public corporation is created by a special Act of the Parliament or the State Legislature

ii. Separate Legal Entity: public corporation is a separate legal entity with perpetual succession and common seal.

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

iv. Financial Autonomy: A public corporation enjoys financial autonomy. It prepares its own budg

v. Management by Board of Directors: Its management is vested in a Board of Directors, appointed or nominated by the Government. ➢ A Government company is formed through registration under the Companies Act, 1956; and is subject to the provisions of this Act, like any other company.

46.B) H**indrances of Commerce:**

Hindrance of place: Production takes place in one centre and consumers are spread throughout the country and world.Rail, air, sea and land transports bring the products to the place of consumer.

Hindrance of time: Consumers want products whenever they have money, time and willingness tobuy.Goods are produced in anticipation of such different regional centres.So that they can be distributed at the right time to the consumers.

Hindrance of risk of loss: Fire, theft, floods and accidents may bring huge loss to the business.Insurance companies serve to cover the risk of such losses.

Hindrance of knowledge: Advertising and communication help in announcing the arrival of new products and their uses to the people

Hindrance of finance: Banks and other financial institutions provide funds to producers and traders to carry on thebusiness activities smoothly.

47. A). Discuss the advantages of Railway Transport

i)Railways are well suited for carrying heavy and bulky goods over long distances

ii)It can provide long distance travel throughout the day and night with unbroken services.

iii)It can provide better protection and safety to the goods than motor transport.

iv)It has regular schedule of timing and is available throughout the year.

v)It provides unaffected services whether rainy or shiny weather conditions.

47.B) Explain the need for Social Responsibility

i) Self Interest:A business unit can sustain in the market for a longer period only by assuming some social obligations.

ii)Creation of Society : Business is a creation of society and uses the resources of society. Therefore it should fulfil its social obligation to the society.

iii) Social Power : Businessmen have considerable social power.Their decisions and actions affect the lives and fortunes of the society.

iv) Image in the Society:A business can improve its image in public by assuming social obligations.

Good Relations with workers, consumers and suppliers help in the success of business.

v)Free Enterprise:A Business enterprise which accepts and discharges social obligations enjoy greater freedom**.**

Ex. The Govt passed consumer Protection act to prevent from adulteration, black marketing and other Anti-social practices.