

## MODEL QUESTION PAPER

### Master of Commerce (M.Com) – Skill Assessment

(Branch-Specific | For Reference)

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**This Model Question Paper is provided to help candidates understand the assessment structure, format, and branches covered under the HRVIEW Master of Commerce (M.Com) Skill Assessment.**

**It is intended only for reference and does not represent the actual examination paper.**

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#### Assessment Snapshot

- **Assessment Type: Model Question Paper**
- **Assessment Mode: Online**
- **Question Format: Objective Type (MCQs)**
- **Total Number of Questions: 20**
- **Pass Criteria: 75%**

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Degree	Specialization
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Master of Commerce (M.Com)	Banking and Insurance
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Master of Commerce (M.Com)	Business Economics
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Master of Commerce (M.Com)	Advanced Accounting and Finance
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#### Note for Candidates

This is a **model reference document** intended for **general understanding only**

## MODEL QUESTION PAPER

### M.Com – Business Economics

#### MCQs | 20 Questions

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**1. Business economics mainly applies:**

- A. Pure economic theory
- B. Economic principles to business decision-making
- C. Political theories
- D. Accounting rules

 **Answer:** B

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**2. The main objective of business economics is to:**

- A. Maximize cost
- B. Minimize profit
- C. Optimize business decisions
- D. Increase government revenue

 **Answer:** C

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**3. Microeconomics primarily deals with:**

- A. National income
- B. Inflation
- C. Individual firms and consumers
- D. Economic growth

 **Answer:** C

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**4. Demand is said to be elastic when:**

- A. Change in price causes no change in demand
- B. Percentage change in demand is greater than price change
- C. Demand remains constant
- D. Demand changes proportionately

 **Answer:** B

**Note for Candidates**

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**5. Opportunity cost refers to:**

- A. Accounting cost
- B. Explicit cost
- C. Value of next best alternative forgone
- D. Fixed cost

 **Answer:** C

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**6. Marginal cost is:**

- A. Total cost of production
- B. Cost of producing one additional unit
- C. Average cost
- D. Fixed cost

 **Answer:** B

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**7. The law of diminishing returns applies in the:**

- A. Short run
- B. Long run
- C. Market period
- D. Very long run

 **Answer:** A

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**8. Break-even point is where:**

- A. Profit is maximum
- B. Cost is minimum
- C. Total cost equals total revenue
- D. Loss is minimum

 **Answer:** C

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**9. Price elasticity of demand is measured as:****Note for Candidates**

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- A. Change in price / Change in demand
- B. Change in demand / Change in price
- C. Percentage change in demand / Percentage change in price
- D. Price × Demand

 **Answer:** C

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**10. Which market structure has a single seller?**

- A. Perfect competition
- B. Monopolistic competition
- C. Oligopoly
- D. Monopoly

 **Answer:** D

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**11. Oligopoly market is characterized by:**

- A. One seller
- B. Many sellers
- C. Few dominant firms
- D. Free entry

 **Answer:** C

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**12. Production function shows relationship between:**

- A. Cost and output
- B. Inputs and output
- C. Price and demand
- D. Revenue and profit

 **Answer:** B

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**13. Price discrimination is possible when:**

- A. Market is perfectly competitive
- B. Demand is elastic everywhere
- C. Market is segmented
- D. Costs are high

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 **Answer: C**

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**14. Inflation means:**

- A. Fall in price level
- B. Rise in general price level
- C. Increase in output
- D. Decrease in money supply

 **Answer: B**

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**15. Fiscal policy refers to:**

- A. Control of money supply
- B. Government expenditure and taxation
- C. Banking regulation
- D. Foreign exchange control

 **Answer: B**

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**16. Monetary policy is controlled in India by:**

- A. Finance Ministry
- B. RBI
- C. SEBI
- D. NABARD

 **Answer: B**

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**17. Cost-benefit analysis is used to:**

- A. Calculate accounting profit
- B. Evaluate economic feasibility of projects
- C. Determine taxes
- D. Measure inflation

 **Answer: B**

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**18. Business cycle consists of:**

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- A. One phase
- B. Two phases
- C. Four phases
- D. Six phases

 **Answer:** C

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**19. Which factor affects supply?**

- A. Consumer income
- B. Taste and preference
- C. Cost of production
- D. Population

 **Answer:** C

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**20. M.Com (Business Economics) graduates mainly work in:**

- A. Manufacturing units
- B. Corporate planning, policy analysis, and consulting
- C. Hospitality industry
- D. Teaching only

 **Answer:** B

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## MODEL QUESTION PAPER

### M.Com – Banking and Insurance

#### MCQs | 20 Questions

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**1. Banking primarily deals with:**

- A. Manufacturing goods
- B. Accepting deposits and lending money
- C. Insurance underwriting only
- D. Trading securities

 **Answer:** B

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**2. Which bank is the central bank of India?**

- A. SBI
- B. RBI
- C. PNB
- D. ICICI

 **Answer:** B

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**3. The primary function of commercial banks is:**

- A. Issuing currency
- B. Accepting deposits and granting loans
- C. Controlling inflation
- D. Managing foreign trade

 **Answer:** B

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**4. Which type of deposit has a fixed maturity?**

- A. Savings deposit
- B. Current deposit
- C. Fixed deposit
- D. Recurring deposit

 **Answer:** C

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**5. The rate at which RBI lends to commercial banks is called:**

- A. Bank rate
- B. Repo rate
- C. CRR
- D. SLR

 **Answer: B**

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**6. Which banking service allows money transfer electronically?**

- A. Demand draft
- B. NEFT
- C. Fixed deposit
- D. Passbook

 **Answer: B**

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**7. CRR refers to:**

- A. Cash Ratio Reserve
- B. Cash Reserve Ratio
- C. Credit Reserve Ratio
- D. Central Reserve Requirement

 **Answer: B**

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**8. SLR is maintained by banks in the form of:**

- A. Cash only
- B. Gold and government securities
- C. Shares
- D. Loans

 **Answer: B**

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**9. Which risk arises due to borrower default?**

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- A. Market risk
- B. Credit risk
- C. Liquidity risk
- D. Operational risk

 **Answer:** B

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**10. Insurance is a mechanism of:**

- A. Risk avoidance
- B. Risk transfer
- C. Risk retention
- D. Risk reduction

 **Answer:** B

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**11. Which insurance covers loss due to fire?**

- A. Life insurance
- B. Marine insurance
- C. Fire insurance
- D. Health insurance

 **Answer:** C

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**12. The principle of “Utmost Good Faith” is essential in:**

- A. Banking only
- B. Insurance contracts
- C. Sales contracts
- D. Employment contracts

 **Answer:** B

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**13. Premium is paid by:**

- A. Insurer
- B. Insured
- C. Agent
- D. Surveyor

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 **Answer: B**

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**14. Which insurance policy provides coverage for hospitalization?**

- A. Life insurance
- B. Fire insurance
- C. Health insurance
- D. Marine insurance

 **Answer: C**

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**15. The regulatory authority for insurance in India is:**

- A. RBI
- B. SEBI
- C. IRDAI
- D. NABARD

 **Answer: C**

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**16. Bancassurance refers to:**

- A. Bank loans only
- B. Insurance companies acting as banks
- C. Banks selling insurance products
- D. Foreign banking services

 **Answer: C**

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**17. Which document is issued as evidence of insurance contract?**

- A. Proposal form
- B. Cover note
- C. Policy document
- D. Claim form

 **Answer: C**

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**18. Which type of life insurance provides coverage for a specific period?**

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- A. Whole life policy
- B. Endowment policy
- C. Term insurance
- D. Money back policy

 **Answer:** C

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**19. Non-performing asset (NPA) refers to:**

- A. Profitable loan
- B. Loan with regular repayments
- C. Loan with overdue payments
- D. Government security

 **Answer:** C

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**20. M.Com (Banking & Insurance) graduates mainly work in:**

- A. Manufacturing firms
- B. Banks, insurance companies, and financial institutions
- C. IT companies
- D. Hospitality industry

 **Answer:** B

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## MODEL QUESTION PAPER

### M.Com – Advanced Accounting and Finance

#### MCQs | 20 Questions

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**1. Accounting is mainly concerned with:**

- A. Recording only
- B. Recording, classifying, and interpreting financial data
- C. Marketing activities
- D. Production management

 **Answer:** B

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**2. Financial accounting focuses on:**

- A. Internal management decisions
- B. External financial reporting
- C. Cost control only
- D. Budget preparation

 **Answer:** B

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**3. Which accounting standard deals with revenue recognition?**

- A. AS 1
- B. AS 2
- C. AS 9
- D. AS 10

 **Answer:** C

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**4. Depreciation refers to:**

- A. Increase in asset value
- B. Decrease in asset value over time
- C. Asset replacement
- D. Asset appreciation

 **Answer:** B

**Note for Candidates**

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**5. Which method charges equal depreciation every year?**

- A. Written Down Value method
- B. Straight Line method
- C. Annuity method
- D. Sinking fund method

 **Answer:** B

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**6. Goodwill is considered as:**

- A. Current asset
- B. Fictitious asset
- C. Intangible asset
- D. Fixed tangible asset

 **Answer:** C

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**7. Which statement shows profitability of a firm?**

- A. Balance Sheet
- B. Cash Flow Statement
- C. Profit and Loss Account
- D. Fund Flow Statement

 **Answer:** C

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**8. Working capital is calculated as:**

- A. Fixed assets – Current liabilities
- B. Current assets – Current liabilities
- C. Total assets – Total liabilities
- D. Cash – Inventory

 **Answer:** B

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**9. Which ratio measures liquidity?****Note for Candidates**

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- A. Gross profit ratio
- B. Net profit ratio
- C. Current ratio
- D. Debt-equity ratio

 **Answer:** C

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**10. Debt-equity ratio indicates:**

- A. Profitability
- B. Liquidity
- C. Capital structure
- D. Efficiency

 **Answer:** C

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**11. Capital budgeting is concerned with:**

- A. Short-term decisions
- B. Long-term investment decisions
- C. Daily expenses
- D. Cash management

 **Answer:** B

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**12. Which method considers time value of money?**

- A. Payback period
- B. Average rate of return
- C. Net present value (NPV)
- D. Accounting rate of return

 **Answer:** C

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**13. Cost of capital is:**

- A. Cost of assets
- B. Minimum required rate of return
- C. Interest paid
- D. Dividend paid

**Note for Candidates**

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 **Answer: B**

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**14. Which market deals in long-term securities?**

- A. Money market
- B. Capital market
- C. Commodity market
- D. Foreign exchange market

 **Answer: B**

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**15. Dividend policy is decided by:**

- A. Government
- B. Creditors
- C. Board of Directors
- D. Auditors

 **Answer: C**

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**16. Cash flow statement shows:**

- A. Profit and loss
- B. Changes in financial position
- C. Inflows and outflows of cash
- D. Asset valuation

 **Answer: C**

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**17. EPS stands for:**

- A. Earnings Per Share
- B. Equity Per Share
- C. Earnings Paid to Shareholders
- D. Expected Profit Share

 **Answer: A**

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**18. Which instrument is a source of short-term finance?**

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- A. Debentures
- B. Equity shares
- C. Commercial paper
- D. Preference shares

 **Answer:** C

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**19. Financial leverage increases:**

- A. Business risk
- B. Operating risk
- C. Return on equity
- D. Liquidity

 **Answer:** C

---

**20. M.Com (Advanced Accounting & Finance) graduates mainly work in:**

- A. Manufacturing units
- B. Accounting, finance, auditing, and corporate roles
- C. Hospitality industry
- D. Retail sales

 **Answer:** B

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