

MODEL QUESTION PAPER

Master of Commerce (M.Com) – Skill Assessment

(Branch-Specific | For Reference)

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.

Assessment Snapshot

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

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

Note for Candidates

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

MODEL QUESTION PAPER
M.Com – Business Economics
MCQs | 20 Questions

1. Business economics mainly applies:

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

 **Answer: B**

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**

3. Microeconomics primarily deals with:

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

 **Answer: C**

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

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

5. Opportunity cost refers to:

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

 **Answer: C**

6. Marginal cost is:

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

 **Answer: B**

7. The law of diminishing returns applies in the:

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

 **Answer: A**

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**

9. Price elasticity of demand is measured as:

Note for Candidates

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

- 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 \times Demand

 **Answer: C**

10. Which market structure has a single seller?

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

 **Answer: D**

11. Oligopoly market is characterized by:

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

 **Answer: C**

12. Production function shows relationship between:

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

 **Answer: B**

13. Price discrimination is possible when:

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

Note for Candidates

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

 **Answer: C**

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**

15. Fiscal policy refers to:

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

 **Answer: B**

16. Monetary policy is controlled in India by:

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

 **Answer: B**

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**

18. Business cycle consists of:

Note for Candidates

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

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

 **Answer: C**

19. Which factor affects supply?

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

 **Answer: C**

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**

MODEL QUESTION PAPER
M.Com – Banking and Insurance
MCQs | 20 Questions

1. Banking primarily deals with:

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

 **Answer: B**

2. Which bank is the central bank of India?

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

 **Answer: B**

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**

4. Which type of deposit has a fixed maturity?

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

 **Answer: C**

Note for Candidates

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

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

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

 **Answer: B**

6. Which banking service allows money transfer electronically?

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

 **Answer: B**

7. CRR refers to:

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

 **Answer: B**

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

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

 **Answer: B**

9. Which risk arises due to borrower default?

Note for Candidates

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

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

 **Answer: B**

10. Insurance is a mechanism of:

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

 **Answer: B**

11. Which insurance covers loss due to fire?

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

 **Answer: C**

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

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

 **Answer: B**

13. Premium is paid by:

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

Note for Candidates

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

 **Answer: B**

14. Which insurance policy provides coverage for hospitalization?

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

 **Answer: C**

15. The regulatory authority for insurance in India is:

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

 **Answer: C**

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**

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

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

 **Answer: C**

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

Note for Candidates

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

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

 **Answer: C**

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**

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**

MODEL QUESTION PAPER

M.Com – Advanced Accounting and Finance

MCQs | 20 Questions

1. Accounting is mainly concerned with:

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

 **Answer: B**

2. Financial accounting focuses on:

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

 **Answer: B**

3. Which accounting standard deals with revenue recognition?

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

 **Answer: C**

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

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

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**

6. Goodwill is considered as:

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

 **Answer: C**

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**

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**

9. Which ratio measures liquidity?

Note for Candidates

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

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

 **Answer: C**

10. Debt-equity ratio indicates:

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

 **Answer: C**

11. Capital budgeting is concerned with:

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

 **Answer: B**

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**

13. Cost of capital is:

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

Note for Candidates

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

 **Answer: B**

14. Which market deals in long-term securities?

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

 **Answer: B**

15. Dividend policy is decided by:

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

 **Answer: C**

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**

17. EPS stands for:

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

 **Answer: A**

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

Note for Candidates

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

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

 **Answer: C**

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**
