

THANJAVUR DISTRICT

Arvenella
Kumbakonam

TJQ

XI - Std

QUARTERLY EXAMINATION - 2022
COMMERCE

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
|--|--|--|--|--|--|

Time : 3.00 Hrs

PART - A

Marks : 90

20 X 1 = 20

Answer all the questions :-

- Who wrote "Arthashastra"
a) Kautilya b) Kambar c) Thiruvalluvar d) Elangovadigal
- Occupation of a lawyer is
a) Employment b) Business c) Profession d) Sole Proprietor
- A major disadvantage of sole proprietorship is
a) Limited liability b) Unlimited liability
c) Easy formation d) Quick decision
- Normally high risk involved in
a) Industry b) Commerce c) Trade d) All of the above
- The firm of Hindu undivided family is managed by whom?
a) Owner b) Karta c) Manager d) Partner
- Table A of the Companies Act is a
a) Model minutes book b) Model form of Balance sheet
c) Model of AOA d) Model of MCA
- Rochdase Society of equitable pioneers was started by
a) Robert Owen b) H.C. Calvert c) Talmaki d) Lambert
- Centralised control in MNC implies control exercised by
a) Branches b) Subsidiaries c) Headquarters d) Parliament
- A Government company purchases shares in the name of
a) Prime Minister b) President
c) Chief Justices of India d) State Chief Minister
- The central bank of India is
a) PNB b) SBI c) ICICI d) RBI
- Which bank is not a Industrial Bank?
a) ICICI b) HSBC c) SIDBI d) IDBI
- Minimum how much amount can be transferred through RTGS?
a) Any amount b) 50,000 c) 2 Lakh d) 5 Lakh
- A warehouse holds goods as a center.
a) Marketing b) Sorting c) Distribution d) Selling
- Transport removes the hindrance of
a) Time b) Place c) Person d) Knowledge
- The basic Principle of insurance is
a) Insurable interest b) Co-operation c) Subrogation d) Proximate causa
- The main benefit of Logistics is
a) Productivity b) Cost minimisation c) Profitability d) Storage
- Assuming Social Responsibility of business helps the Enterprise in
a) Increase profit b) Decrease profit c) Sustainability d) Equilibrium

18. Ethics is important for
a) Top Management b) Middle Level Managers
c) Non Managerial Employees d) All of them
19. Equity shareholders are the
a) Creditors b) Owners c) Debtors d) Employees
20. ADRS are issued in
a) Canada b) China c) India d) The USA

PART - B

Answer any 7 questions and question number 30 is compulsory :- $7 \times 2 = 14$

21. What is meant by Barter System?
22. What is meant by Economic Activities?
23. What is Trade?
24. What are the Corporate Enterprises?
25. Who is Called KARTA?
26. Who are Rochodole Pioneers?
27. Write a short notes on Creditcard?
28. Define Transport?
29. Write a short notes on Debentures?
30. What is health insurance?

PART - C

Answer any 7 questions and question number 40 is compulsory :- $7 \times 3 = 21$

31. What are the Ports developed by Pandiya Kingdom?
32. What is unlimited liability?
33. What is meant by Government Company?
34. Define MNCs write two examples?
35. Explain - NEFT.
36. Differentiate the warehouse warrant from the warehouse receipt? (any 3)
37. Write a note on IRDAI.
38. What are the types of Franchising?
39. What is Pledge?
40. What are the contents of Partnership Deed? (any 3)

PÀRT - D

Answer all the questions :-

$$7 \times 5 = 35$$

41. What are the hindrances of Commerce? (OR)
Distinguish between GDR and ADR.
42. What are the advantages of Sole trading business? (OR)
What are the benefits of corporate Governance?
43. What are the contents of Memorandum of Association? (OR)
Explain the need for Social Responsibility? (any 5)
44. What are the types of cooperative Society? (OR)
Enumerate the advantages of Franchising? (any 5)
45. Classify the various functions of Reserve Bank of India? (any 5) (OR)
Explain different types of transport? (any 5)
46. Explain the various secondary functions of Commercial Banks. (OR)
Explain the Principles of Insurance? (any 5)
47. Explain the different types of warehouses? (any 5) (OR)
Explain the types of dissolution of Partnership firm? (any 5)

QUARTERLY EXAMINATION – ANSWER KEY – 2022-2023

XI STANDARD – COMMERCE – ENGLISH MEDIUM

DR.A.VENNILA

PRINCIPAL

**MYDEEN MATRIC. HR.SEC. SCHOOL
MELACAUVERY – KUMBAKONAM.**

CELL NO.: 8220179521

8608481579

Time Allowed : 2.30 Hours

Maximum Marks : 90

I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer

20 x 1 = 20

| | | | | | |
|----|---|---------------------|----|---|-------------------|
| 1 | A | Kautilya | 11 | B | HSBC |
| 2 | C | Profession | 12 | C | 2 Lakh |
| 3 | B | Unlimited Liability | 13 | C | Distribution |
| 4 | A | Industry | 14 | B | Place |
| 5 | B | Karta | 15 | B | Co-operation |
| 6 | C | Model of AOA | 16 | B | Cost Minimisation |
| 7 | A | Robert Owen | 17 | C | Sustainability |
| 8 | C | Headquarters | 18 | D | All of them |
| 9 | B | President | 19 | B | Owners |
| 10 | D | RBI | 20 | C | India |

II. Answer any seven questions. Question No.30 is compulsory.

7 x 2 = 14

21) Barter System:

- Goods were exchanged for goods prior to invention of money.

22) Economic Activities:

- Activities undertaken with the object of earning money are called economic activities

23) Trade:

- Trade means Purchase and sale of goods and services.

24) Corporate enterprises:

- 1) Government enterprises
- 2) Private company
- 3) Co-operative company

25) KARTA:

- All the affairs of a Joint Hindu Family are controlled and managed by one person who is known as “KARTA”.

26) Rochdale Pioneers:

- In 1844 England, Robert Owen was the formed a consumer's co-operative society with 28 workers as members, called "Rochdale Society of Equitable Pioneers".
- He is the father of co-operative movement.

27) Credit Card:

- Banks issue credit cards to customers and other eligible persons.
- With this card, the holder can purchase goods and services on credit at any shop in India.

28) Transport – Definition:

- According to **K.K. Sexena**, "the transport system acts with reference to the area it serves in the same way as a candle does in a dark room".

29) Debentures:

- ♣ Debentures are an important instrument for raising long term debt capital.
- ♣ A Company can raise funds through issue of debentures which bear a fixed rate of interest.

30) Health Insurance:

1. Health Insurance policy is a contract between an insurer and an individual or group, in which the insurer agrees to provide specified health insurance at an agreed upon price.

III. Answer any seven questions. Question No.40 is compulsory.

7 x 3 = 21

31) The ports developed by Pandiya Kingdom:

- Tondi, korkai, puhar and Muziri were the port towns developed in Pandiya Kingdom.
- People were engaged in different kinds of finishing pearls and conches and produced salts and build ships.
- Various check posts were installed to collect customs along the highways and the ports.

32) Unlimited liability:

- * When his business assets are not sufficient to pay off the business debts he has to pay from his personal property.

33) Government Company:

- a) A public enterprises incorporated under the Indian Companies Act, 1956 is called Govt. Company.
- b) These companies are owned and managed by the Central or the State Government.
- c) 51% of the paid-up share capital of the company should be held by Central or State Governments.

34) Definition of Multinational Company.

- * "A multinational corporation owns and manages business in two or more countries." - Neil H.Jacoby

Two examples of MNC.

- *Bata Corporation
- *Sony Corporation

35) NEFT

- ♣ This was launched by the RBI in 2005.
- ♣ Once in every half hour from 8.00 am to 7.30 pm. 23 settlements are allowed in a day.
- ♣ NEFT transfers are not allowed on Sundays and bank holidays.
- ♣ IFSC is provided by IDRBT Hyderabad.

36) Difference between warehouse warrant and warehouse receipt.

| Sl.No. | Warehouse Warrant | Warehouse Receipt |
|--------|------------------------------------|--|
| 1 | It is a document of title of goods | It is not a document of title of goods |
| 2 | It is not only an acknowledgement | is only an acknowledgement |
| 3 | It can be transferred to others | It cannot be transferred to others |

37) IRDAI:

- ❖ IRDAI – 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.
- ❖ Presently IRDAI headquarters is in Hyderabad.

38) Types of Franchising:

- **Product/ trade name franchising:**
 - ✓ In this type, the franchisee exclusively deals with a manufacturer's product.
 - ✓ **Examples:** Kidzee, French Loaf outlets, Bharat Petroleum bunks, Patanjali products, etc.
- **Business format franchising:**
 - ✓ When a franchisor awards rights covering all business aspects as a complete business package to the franchisee it is called as business format franchising.
 - ✓ Examples are McDonald's, Pizza Hut, KFC, Hot breads, etc.,

39) Pledge:

- A customer transfers the possession of an article with the creditor (banker) and receives loan.
- Till the repayment of loan, the article is under the custody of the borrower.
- If the debtor fails to refund the loan, creditor (banker) will auction the article pawned and adjust the outstanding loan from the sale proceeds.

40) Contents of Partnership Deed:

- ▲ Name of the Firm
- ▲ Nature of the proposed business
- ▲ Duration of partnership
- ▲ Capital contribution
- ▲ Withdrawal from the firm
- ▲ Interest on capital

41) .a. Hindrances of business:

1. Hindrance of place

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

2. Hindrance of time

- i. Consumers want products whenever they have money, time and willingness to buy.
- ii. Goods are produced in anticipation of such different regional centers.
- iii. So that they can be distributed at the right time to the consumers.

3. Hindrance of risk of loss

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

4. Hindrance of knowledge

- i. Advertising and communication help in announcing the arrival of new products and their uses to the people.

5. Hindrance of finance

- i. Banks and other financial institutions provide funds and help in transfer of funds to enable the functioning of business smoothly.

[OR]

41. b. Differences Between GDR and ADR

| Basis | Global Depository Receipts GDR | American Depository Receipts ADR |
|----------------------|--|---|
| Denomination | It is denominated in terms of any freely convertible currency | It is denominated only in US dollars |
| To whom it is issued | It is issued to investors in one or across more markets simultaneously | It is issued only to investors, who are residents of the United States of America. |
| Listed in | Non-US Stock Exchange such as London Stock Exchange or Luxemburg Stock Exchange. | American stock exchange |
| Approval | Issue of GDR does not require foreign regulatory clearances. | Issue of ADR requires approval from the Securities Exchange Commission (SEC) of United States of America. |
| Negotiation | It is negotiable all over the World. | It is negotiable only in America. |

42) a. Advantages of Sole Trading Business:

i. Easy Formation:

- ⤴ No legal formalities are required to initiate a sole trading concern.
- ⤴ Any person capable of entering into a contract can start it, provided he has the necessary resources for it.

ii. Incentive to Work hard:

- ⤴ There is a direct relationship between effort and reward.
- ⤴ The fact that the entire profit can be taken by himself without sharing with anybody else induces him to work ceaselessly.

iii. Small Capital:

- ⤴ Small capital is an important as well as specific advantage of sole proprietorship.
- ⤴ Sole proprietor can start business with small capital.

iv. Credit Standing:

- ⤴ Since his private properties are held liable for satisfying business debts.
- ⤴ He can get more financial assistance from others

v. Flexibility:

- ⤴ The sole trader can easily adjust himself to the changing requirements of his business.

[OR]

42.b. Benefits of Corporate Governance:

Some of the benefits of corporate governance are as follows:

1. Good corporate governance enables corporate success and economic development.
2. Ensures stable growth of organizations.
3. Aligns the interests of various stakeholders.
4. Improves investors' confidence and enables raising of capital.
5. Reduces the cost of capital for companies.
6. Has a positive impact on the share price

43) a. contents of Memorandum of Association:

i). Name Clause:

- * The name clause requires to state the legal and recognized name of the company.
- * The company name is allowed to be registered.

ii). Situation Clause:

- * It requires to show the physical location of the registered office of the company.
- * It is required to keep all the company registers in this office.

iii). Objective Clause:

- * It is required to state the ancillary objectives.
- * To facilitate the achievement of the main objectives.

iv). Liability Clause:

- * It requires to state the extent to which shareholders of the company are liable to the debt obligations of the company.
- * There are companies limited by shares and limited by guarantee.

v). Capital Clause:

- * It requires to state the company's authorized share capital.
- * It is also required to list the company's assets under this clause.

[OR]

43.b. Need for Social Responsibility:

Business is expected to be responsible to society due to the following reasons

1. Self-Interest

- ★ A business unit can sustain in the market for a longer period only by assuming some social obligations.
- ★ Normally businessmen recognise that they can succeed better by fulfilling the demands and aspirations of society.

2. Creation of Society

- ★ Business is a creation of society and uses the resources of society. Therefore, it should fulfil its obligations to society.

3. Social Power

- ★ Businessmen have considerable social power. Their decisions and actions affect the lives and fortunes of the society.

4. 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.

5. Public Awareness

- ★ Now-a-days consumers and workers are well informed about their rights. Consumers expect better quality products at reasonable prices.

44) a. Types of Co-operative Society:

i). Consumers Cooperatives:

- Consumer cooperatives are organized by consumers that want to achieve better prices or quality in the goods or services they purchase.
- They also supply essential commodities through Public Distribution System (PDS).

ii). Producers Cooperatives:

- Producer cooperatives are established and operated by producers.
- Producers can decide to work together or as separate entities to help increase marketing possibilities and production efficiency.

iii). Marketing Cooperatives:

- It's an association of small producers formed for the purpose of marketing their produce.
- It performs certain marketing functions such as grading, warehousing, advertising etc.,
- They secure better prices for their members by transporting goods even to distant markets.

iv). Credit Cooperatives:

- It's formed for the purpose of providing short-term financial help to their members.
- Agriculturists, artisans, industrial workers, salaried employees, etc., form these credit societies.
- Credit societies may be agricultural credit societies or non-agricultural credit societies.

v). Housing Cooperatives:

- It means to provide residential accommodation to their members on ownership basis or on rent.
- People who intend to build houses of their own join together and form housing societies.
- These societies advance loans to members, repayable over a period of 15 to 20 years.

[OR]

44.b. Advantages of franchising

a) Reduced risk:

- ★ The franchisee will acquire the right of running an already established business, thus eliminating the risk of starting a new business.

b) Business expansion:

- Franchising provides an opportunity to expand business at regional, national and global levels without incurring additional expenditure.
- Thus rapid growth of franchisor's business is facilitated.

c) Cost of advertising:

- ♣ The cost of advertising for the franchisor will be reduced since this cost will be shared by the franchisee.
- ♣ Moreover, it enables the franchisor to reap the benefits of increased visibility across regional and national boundaries.

d) Operational support:

- ★ The franchisee is provided assistance in not only obtaining finance, but also in deciding business location, decor /design, staff training, and handling day to day operations.

45) a. Various functions of Reserve Bank of India.

The functions of the RBI can be grouped under three heads.

- 1) **Leadership and Supervisory Functions**
- 2) **Traditional Functions and**
- 3) **Promotional Functions.**

A. Leadership and Supervisory Functions

- ⊙ India being the fastest growing economy in the world, India is expected to play a major role in the world affairs by many countries.
- ⊙ Such functions get prominence in current scenario.
 - ✓ India's Representative in World Financial Institutions
 - ✓ Regulator and Supervisor of Indian Banking System
 - ✓ Monetary Authority
 - ✓ Closely Monitoring Economic Parameters
 - ✓ Promptly Responding to New Challenges

B. Traditional Functions

- ✓ Banker and Financial Advisor to the Government
- ✓ Monopoly of Note Issue
- ✓ Banker's Bank
- ✓ Controller of Credit and Liquidity

C. Promotional Functions

The RBI performs a wide range of promotional functions to support national objectives.

- ✓ Nurturing Banking Habits among the Public
- ✓ Grievance Settlement Measures
- ✓ Agricultural Development
- ✓ Promotion of Small Scale Industries
- ✓ Facilitates Foreign Trade
- ✓ Supports Cooperative Sector

[OR]

45.b. Types of transport:

- ♣ Transport system can be classified in different ways depending on the types of transport, the ways and means of transport and also the motive power used in transport.

A. Surface Transport

- Transport of people and goods by land vehicles is known as Surface transport.
- It is also called as 'Land Transport'.
- Pack Animals - horse, mule, donkey camel, and elephant etc.,
- Bullock Carts
- Road Transport
- Motor Lorries and Buses
- Tramways
- Railway Transport

B. Water Transport

- "Water is a free gift of nature".
- Water transport is the process of moving people, goods etc. by barge, boat, ship or sailboat over a sea, ocean, lake, canal, river, etc.,
- Water Transports are of two types
 1. Inland Waterways
 2. Ocean Waterways

C. Air Transport

- Air transport is the fastest and the costliest mode of transport.
- Commercial air transport is now one of the most prominent modes of overseas transport.
- The modern air transport has its growth with the invention of Airplane by Wright Brothers.
- Air transport is a form of travel in vehicles such as helicopters, hot air balloons, blimps, gliders, hang gliding, parachuting, airplanes, jets or anything else that can sustain flight.

46) a. Secondary functions of commercial banks:

☆ Apart from the basic or primary functions commercial banks render various other services which are known as secondary functions.

☆ These services can be broadly classified into Agency Services and General Utility Services.

1. Agency Functions

- * Banks act as agents of customers and provide certain services. They are called **Agency Functions which are as follows:**
 - * Transfer of Funds
 - * Collection and Payment of Cheques
 - * Conduct Share Market Transactions
 - * Preparation of Income Tax Return
 - * Dealing in Foreign Exchange

- * Acting as Correspondent

2. **General utility functions**

- * In addition to primary, secondary and agency functions, commercial banks offer some services for the general welfare of the customers. They are called general utility services.

They are as follows.

- * Safety lockers
- * Letters of credit
- * Travelers cheques
- * Gift cheques
- * Reference service

[OR]

46.b. 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 that impacts the subject matter.
- Insurer should provide all the details regarding insurance contract.

ii). Insurable Interest

- The insured must have an insurable interest in the subject matter of insurance.
- The insured must have an interest in the preservation of the thing or life insured
- So that they will suffer financially on the happening of the event against which they are insured.

iii). Indemnity

- Indemnity means security or compensation against loss or damages.
- This principle ensures that the insured does not make any profit out of the insurance.
- This principle of indemnity is applicable to property insurance alone.

iv). Causa Proxima

- The word 'Causa proxima' means 'nearest cause'.
- The direct, the most dominant and most effective cause of loss should be taken into consideration.
- The insurance company is not liable for the mote cause.

v). Contribution

- The same subject matter may be insured with more than one insurer then it is known as 'Double Insurance'.
- In such a case, the insurance claim to be paid to the insured must be shared on contributed by all insurers in proportion to the sum assured by each one of them.

47) a. Types of Warehouses:

1. Private Warehouses

- It's built and owned by private business enterprises in order to store the products produced by them.
- They are exclusively for their use and are not meant for other manufacturing or business units.

2. Government Warehouses

- They are created and operated by the Government to implement the programmes of the Government.
- Their services mostly available to government only.
- A detailed study on all the above warehouses is given at the end of this chapter.

3. Public Warehouse

- ✱ It is open for public at large.
- ✱ They may be owned by an individual or some agency.
- ✱ These warehouses operate as per the rules and regulations formed by the Government.

4. Co-operative Warehouses

- There are warehouses owned and managed by the marketing co-operative societies or agricultural co-operative societies.
- They are set up to provide warehousing facilities to their members.

5. General Warehouses

- They are ordinary warehouses which are useful for storing most of the dry food grains, fertilizers.
- Protective measures against rat, insects, etc. are undertaken by them.

[OR]

47.b. Types of dissolution of partnership firm:

a. Without the order of the court and

b. By order of the court.

a. Without the order of the court:

i. By agreement or mutual consent:

- A firm may be dissolved when all the partners agree to close the affairs of the firm.
- Just as a partnership is created by contract, it can also be terminated by contract.

ii. By insolvency of all the partners but one:

- If any of the partners adjudged an insolvent it is necessary to dissolve the firm.

iii. When the objective becomes illegal:

- When the business carried on by the partnership becomes illegal, the partnership firm is automatically dissolved.

iv. By notice of dissolution:

- In the case of partnership at will when any partner gives in writing to all the other partners indicating his intention to dissolve the firm, the firm will be dissolved.

b. Dissolution through court:

The court may order dissolution of a firm at a suit of a partner in any of the following circumstances.

1. When a partner becomes insane
2. Permanent incapacity of any partner
3. Misconduct of any partner
4. Transfer of interest to third person
5. Continued loss
6. When the court finds that it is just and equitable to dissolve the firm.

***** All the Best *****