

VIVEKANANDA VIDYALAYA MATRIC HR SEC SCHOOL, PANNAIKADU PIRIVU**KODAIKANAL, DINDIGUL DISTRICT****QUARTERLY EXAMINATION (DINDIGUL DISTRICT) KEY – SEPTEMBER 2022****CLASS: 12 STD****COMMERCE – ANSWER KEY****MARKS: 90****I. CHOOSE THE CORRECT ANSWER:****20*1=20**

1	c). Division of work	11	b). Transaction
2	c). New issue market	12	a). Customer
3	b). 1992	13	b). Social class
4	a). Commercial market	14	c). 1930
5	c). Financial securities	15	a). Cash receipt
6	b). 1992	16	b). Both (A) and (R) are true and (R) is not the correct explanation of (A)
7	b). Intangible	17	d). (i) and (ii) are correct
8	b). External	18	a). Job rotation method
9	c). Recruitment	19	a). NSE - National Stock Exchange
10	a). Training	20	a). Treasury bills Monetary - Management

II. ANSWER ANY 7 QUESTIONS: (Q.NO: 30 IS CUMPSORY)**7*2=14****21 List out the management tools.**

- ✱ Accounting
- ✱ Business Law
- ✱ Statistics
- ✱ Econometrics
- ✱ Data Processing

22 Write a note on OTCEI.

The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.

23 Write any 5 Stock Exchanges in India?

- ✱ Bangalore Stock Exchange Ltd.
- ✱ The Cochin Stock Exchange Ltd.
- ✱ The Bombay Stock Exchange
- ✱ The Jaipur Stock Exchange Ltd.
- ✱ The Kanara Stock Exchange Ltd.

24 What is promotion?

Based on seniority and merits of the employees they are given opportunity to move up in the organizational order.

25 Define Marketer.

“A person whose duties include the identification of the goods and services desired by a set of consumers, as well as the marketing of those goods and services on behalf of a company”.

26 What is green marketing?

Green marketing involves developing and promoting products and services which satisfy customers' wants and needs without affecting environment.

27 Define Consumerism?

"Consumerism is an attempt to enhance the rights and powers by buyers in relation to sellers"
-L. Massie

28 Write short notes on Consumer Protection Act, 1986.

- ✱ The Act is referred in short as 'COPRA'.
- ✱ The Consumer Protection Act 1986 seeks to protect and promote the interests of consumers.

29 What are the rights of consumer according to John F. Kennedy?

"The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard."
- Mr. John F. Kennedy

30 What do you mean by PAN?

- PAN, or permanent account number, is a unique 10-digit alphanumeric identity allotted to each taxpayer by the Income Tax Department under the supervision of the Central Board of Direct Taxes.
- It also serves as an identity proof.

III. ANSWER ANY 7 QUESTIONS: (Q.NO: 40 IS CUMPULSORY)**7*3=21****31 List out the main functions of management?**

- ♣ Planning
- ♣ Organizing
- ♣ Directing
- ♣ Motivation
- ♣ Controlling
- ♣ Co-ordination

32 Write a note on Secondary Market.

- ♣ The place where formerly issued securities are traded is known as Secondary Market.
- ♣ Stock exchange is important one of secondary market.
- ♣ It does not provide funding to companies.

33 What are the features of Certificate of Deposits?

- Document of title to time deposit
- It is unsecured negotiable instruments.
- It is freely transferable by endorsement and delivery.
- It is issued at discount to face value.
- It is repayable on a fixed date without grace days.

34 Explain Bull and Bear.**i). Bull**

- ❖ A Bull or Tejiwala is an operator who expects a rise in prices of securities in the future.
- ❖ He is called bull because just like a bull tends to throw his victim up in the air, the bull spec stimulates the price to rise.
- ❖ He is an optimistic speculator.

ii). Bear

- ✱ A bear or Mandiwala speculator expects prices to fall in future and sells securities at present with a vi purchase them at lower prices in future.
- ✱ A bear usually presses its victim down to ground.
- ✱ A bear is a pessimistic speculator.

35 What is meant by Dematerialization?

It is the process by which physical share certificates of an investor are taken back by the company. Then an equivalent number of securities in the electronic form are credited to the investors account.

36 Define the term Human Resource Management.

“Man, of all resources available to him, can grow and develop”

- Peter.F.Drucker

37 What is meant by unsolicited application?

These are the applications of job seekers who voluntarily apply for the vacancies not yet notified organization.

38 Discuss the objectives E-Marketing

- ♣ Expansion of market share
- ♣ Reduction of distribution and promotional expenses.
- ♣ Achieving higher brand awareness.
- ♣ Strengthening database.

39 What do you understand by “Right to redressal”.

- ⊛ The complaints and protests are not just to be heard, but the aggrieved party to be granted compensation within a reasonable time period.
- ⊛ There should be fair settlement of deserving claims in a definite timeframe.

40. Write a note on Guerrilla Marketing?

- The concept of Guerrilla Marketing was invented as an unconventional system of promotions that relies on time, energy and imagination rather than a big marketing budget.
- Guerrilla marketing represents an advertisement strategy to promote products/ services on streets or other public places with monkey like shopping malls, parks beach etc.,

IV. ANSWER THE FOLLOWING QUESTIONS:**7*5=35****41 a). Explain the principles of modern management.****i). Division of Work:**

- ☀ According to this principle the whole work is divided into small tasks.
- ☀ The specialization of the workforce according to the skills of a person, creating specific personal and professional development within the labour force.

ii). Authority and Responsibility:

- ❖ This is the issue of commands followed by responsibility for their consequences.
- ❖ Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

iii). Discipline:

- ♠ It is obedience, proper conduct in relation to others, respect of authority, etc.
- ♠ It is essential for the smooth functioning of all organizations.

iv). Unity of Command:

- This principle states that each subordinate should receive orders and be accountable to one and only one superior.
- If an employee receives orders from more than one superior, it is likely to create confusion and conflict.

v). Unity of Direction:

All related activities should be put under one group, there should be one plan of action for them, and they should be under the control of one manager.

b). What are the responsibilities of consumer?

- ★ The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- ★ The consumer is bound to pay any interest and special damages caused to the seller in case if there is delay in the payment.
- ★ The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
- ★ The consumer must seek to collect complete information about the quality, quantity, price etc of the product before purchasing it.
- ★ The consumer must get cash receipt as a proof of goods purchased from the seller.
- ★ The consumer must file a complaint with the seller concerned about defects or short comings noticed in their products and services.

42 a). Distinguish between new issue market and secondary market.

S.no	Basis	New Issue Market	Secondary Market
1	Meaning	The market place for new shares is called primary market	The place where formerly issued securities are traded is known as Secondary Market.
2	Buying	Direct	Indirect
3	Securities sold	Only Once	Multiple times
4	Gained Person	Company	Investors
5	Intermediary	Underwriters	Brokers

b). How consumers are exploited?**i). Selling at Higher Price:**

- The price charged by the seller for a product service may not be matching with the quality but at times it is more than the fair price.

ii). Adulteration:

- ★ It refers to mixing or substituting undesirable material in food.
- ★ This causes heavy loss to the consumers.
- ★ This will lead to monetary loss and spoil the health.

iii). False Advertisements:

- ➞ Advertisements convey very little information about the product.
- ➞ Many times it makes false representation about the quality, price, grade, composition, utility guaranteed, performance etc.

iv). Sub-standard:

- ⊛ On opening a packet or sealed container one may find the content to be of poor quality.
- ⊛ A consumer finds it difficult to exchange the defective one for good one.

v). Warranty and Services:

- ♠ Warranty service may not be extended to many parts of the product sold.
- ♠ Thus consumers may be charged exorbitant charges in the name of repair costs.

43 a). Briefly explain the functions of capital market.**i) Savings and Capital Formation**

Various types of securities help to mobilize savings from various sectors of population.

ii) Permanent Capital

- ⚙ The existence of a capital market/stock exchange enables companies to raise permanent capital.
- ⚙ The investors cannot commit their funds for a permanent period.

iii) Industrial Growth

- ↔ The stock exchange is a central market through which resources are transferred to the industrial sector of the economy.
- ↔ The existence of such an institution encourages people to invest in productive channels.

iv) Ready and Continuous Market

Easy marketability makes investment in securities more liquid as compared to other assets.

v) Reliable Guide to Performance

The capital market serves as a reliable guide to the performance and financial position of corporate, and thereby promotes efficiency.

b). Explain the external source of recruitment?**i). Advertisements:**

The employer can advertise in dailies, journals, magazines etc. about the vacancies in the organisation.

ii). Unsolicited applicants:

These are the applications of job seekers who voluntarily apply for the vacancies not yet notified by the organisations.

iii). Walk-ins:

Walk-in applicants with suitable qualification and requirement can be another source of requirement.

iv). Campus Recruitment:

The organisations visit the educational institutions to identify and recruit suitable candidates.

v). Recruitment at Factory gate:

- ➡ Usually unskilled employees are recruited by this way.
- ➡ They are recruited at factory gate and paid on hourly or daily basis.

44 a). Differentiate between the Money Market and Capital market?

S.no	Features	Money Market	Capital Market
01	Duration of Funds	It is a market for short term loan funds.	It is a market for long term Funds .
02	Risks	Low credit and Market risk	High credit and Market Risk
03	Liquidity	High	Low
04	Underwriting	It is not primary function	It is a primary function
05	Subdivision	There is no such subdivision	There is a division

b). Differentiate Recruitment and Selection

S.no	Basics	Recruitment	Selection
01	Approach	Positive one	Negative one
02	Sequence	First	Second
03	Method	It is economical method	It is an expensive method
04	Contractual relation	No contractual relation	Its contractual relation
05	Process	It is very simple	It is very complex.

45 a). Distinguish between Stock Exchange and Commodity Exchange.

S.no	Features	Stock Exchange	Commodity Exchange
1	Meaning	It is an organized market for the purchase and sale of industrial and financial security.	It is an exchange where commodities are traded.
2	Function	Providing easy marketability	Price insurance service and liquidity to securities
3	Object	It is facilitating capital formation	It is facilitating goods flow through risk reduction
4	Participants	Investors and Speculators	Producers, Dealers, Traders
5	Price Quotation	Its dealings only one quotation is possible	Its dealings multiple quotation is possible

b). What are the difference between Stock exchange and commodity exchange

S.no	Features	Stock Exchange	Commodity Exchange
1	Meaning	It is an organized market for the purchase and sale of industrial and financial security.	It is an exchange where commodities are traded.

2	Function	Providing easy marketability	Price insurance service and liquidity to securities
3	Object	It is facilitating capital formation	It is facilitating goods flow through risk reduction
4	Participants	Investors and Speculators	Producers, Dealers, Traders
5	Price Quotation	Its dealings only one quotation is possible	Its dealings multiple quotation is possible

46 a). Explain the powers of SEBI.

i). Powers Relating to Stock Exchanges & Intermediaries

↔ SEBI has wide powers regarding the stock exchanges and intermediaries dealing in securities.

↔ It can ask information from the stock exchanges and intermediaries regarding their business transactions for inspection and other purpose.

ii). Power to Impose Monetary Penalties

- SEBI has been empowered to impose monetary penalties on capital market intermediaries
- It can even impose suspension of their registration for a short period.

iii). Power to Initiate Actions in Functions Assigned

- SEBI has a power to initiate actions in regard to functions assigned.
- For example, it can issue guidelines to different intermediaries

iv). Power to Regulate Insider Trading

SEBI has power to regulate insider trading or can regulate the functions of merchant bankers.

v). Powers Under Securities Contracts Act

For effective regulation of stock exchange, the Ministry of Finance issued a Notification on 13 September, 1994 delegating several of its powers under the Securities Contracts (Regulations) Act to SEBI.

b). Explain the advantages and disadvantages of E-Marketing?

Advantages of E-Marketing

- Any Time market: E - Marketing provides 24 hours and 7 days “24/7” service to its users. So consumer can shop or order the product anytime from anywhere.
- Direct contact of end consumer by the manufacturers cuts down the substantially intermediation cost. Thus products bought through e-marketing become cheaper.
- Customer can buy whatever they want/ need just by browsing the various sites.

Disadvantages of E-Marketing

- High Cost for E- marketing which requires a strong online advertising campaign a for which company has to spend large amount. The cost of web site design, software, hardware, maintenance of business site, online distribution costs and invested time, all must be factored into the cost of providing service or product online.
- It is not suitable for small size business and also deters customers from buying who lives on long

distances.

- While the number of customers are continuously growing, companies hardly update the information on website.
- Many buyers are suspicious about the security of the internet. As a result, many visitors of business web sites, do not like to use their credit card to make a purchase. So there is a fear of their cards being misused by fraudulent practitioners.

47 a). Explain the Characteristics of Human Resource.

- ↔ Human resource is the only factor of production that lives
- ↔ Human resource created all other resources
- ↔ Human resources are emotional beings
- ↔ Human resources are movable
- ↔ Human resource can work as a team

b). How market can be classified on the basis of economics?

a. Perfect Market:

A market is said to be a perfect market, if it satisfies the following conditions:

- ♠ Large number of buyers and sellers are there.
- ♠ Prices should be uniform throughout the market.
- ♠ Buyers and sellers have a perfect knowledge of market.
- ♠ Goods can be moved from one place to another without restrictions.

b. Imperfect Market: A market is said to be imperfect when

- ☀ Products are similar but not identical.
- ☀ Prices are not uniform.
- ☀ There is lack of communication.
- ☀ There are restrictions on the movement of goods.

@* @* @* @* @* @* @

- ❖ All of the above I mentioned is my own proposed list.
- ❖ This is not final decision.
- ❖ This subject to be changed.
- ❖ If there is any error in this, please correct it.

PREPARED BY

P.VAHEESWARAN *M.COM., M.PHIL. DCA., B.ED*

VICE- PRINCIPAL

PG ASSISTANT OF COMMERCE & ACCOUNTANCY

VIVEKANANDA VIDYALAYA MATRIC HR SEC SCHOOL

PANNAIKADU PIRIVU, KODAIKANAL MAIN ROAD,

DINDIGUL DISTRICT.

CELL: 9791324143 EMAIL: npvasu92@gmail.com