

NAMAKKAL DISTRICT

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SECOND MID TERM TEST, NOVEMBER - 2019

STANDARD - XII

Time : 1.30 hrs

COMMERCE

Marks: 50

Section - I

Note:- Answer all the questions. Choose the most suitable answer from the given three alternatives and write the option code and the corresponding answer.

I. Choose the correct Answers:-

10×1=10

- 1) Who is the father of Consumer Movement?
 - a) Mahatma Gandhi
 - b) Mr. John. F. Kennedy
 - c) Ralph Nadar
 - d) Jawaharlal Nehru
- 2) _____ of every year is declared as a consumer Protection Day to educate the public about their rights and responsibilities
 - a) August 15
 - b) April 15
 - c) March 15
 - d) September 15
- 3) _____ is the king of modern marketing
 - a) Consumer
 - b) Wholesaler
 - c) Producer
 - d) Retailer
- 4) It is the responsibility of a consumer that he must obtain _____ as a proof for the purchase of goods.
 - a) Cash receipt
 - b) Warranty card
 - c) Invoice
 - d) All of these
- 5) The National consumer Disputes Redressal Commission has jurisdiction to entertain complaints where the value of goods/services complained against and the compensation, if any, claimed is
 - a) Exceeding Rs. 1 crore
 - b) Exceeding Rs. 10 lakhs
 - c) Exceeding Rs. 5 lakhs
 - d) Exceeding Rs. 12 lakhs
- 6) _____ environment includes weather and climatic conditions.
 - a) Geo-Physical Environmental
 - b) Social-Cultural Environmental
 - c) Economic Environmental
 - d) Political Environmental
- 7) _____ is the result of New Industrial Policy which abolished the 'Licence System'.
 - a) Globalisation
 - b) Privatisation
 - c) Liberalisation
 - d) None of these
- 8) The property in the goods means the
 - a) Possession of goods
 - b) Custody of goods
 - c) Ownership of goods
 - d) Both (a) and (b)

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2 XII- Commerce

- 9) Negotiable Instrument Act was passed in the year _____
 a) 1981 b) 1881 c) 1994 d) 1818
- 10) Number of parties in a bill of exchange are _____
 a) 2 b) 6 c) 3 d) 4

Section - II

Note:- Answer any four questions in which question No.15 is compulsory:-
4×2=8

- 11) Give two examples of adulteration.
- 12) What are the rights of consumer according to John.F.Kennedy?
- 13) State the meaning of the term State Commission.
- 14) What is GST?
- 15) List down the essential elements of a contract of sale.

Section - III

Note:- Answer any four questions in which question No.20 is compulsory:-
4×3=12

- 16) What is meant by Artificial scarcity?
- 17) Who are the members of the National Commission?
- 18) Write a note on New Economic Policy.
- 19) Discuss in detail about existing goods.
- 20) Distinguish between Bill of Exchange & Promissory Note.

Section - IV

Note:- Answer all the questions:- **4×5=20**

- 21) a) How are consumers are exploited? (any 5) **[or]**
 b) Write about five important consumer legislations.
- 22) a) What are the rights of consumers. (any 5) **[or]**
 b) What are the functions of the National Commission.
- 23) a) Explain the micro environmental factors of business.(any 5) **[or]**
 b) Explain the advantages and disadvantages of liberalisation. (any 5)
- 24) a) Distinguish between conditions and Warranty. **[or]**
 b) Discuss in detail the features of a cheque. (any 5)

SHRI VIDHYABHARATHI MATRIC HR.SEC.SCHOOL



SAKKARAMPALAYAM , AGARAM (PO) ELACHIPALAYAM

TIRUCHENGODE(TK), NAMAKKAL (DT) PIN-637202

Cell : 99655-31727, 99655-35967

+2 II MID TERM TEST - NOVEMBER - 2019

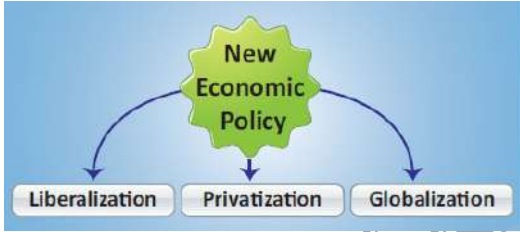
TENTATIVE ANSWER KEY

SUBJECT: COMMERCE

MARKS : 50

Q. NO	CONTENT	MARK
I	SECTION -I CHOOSE THE CORRECT ANSWER	10x1=10
1.	c) Ralph Nadar	1
2.	c) March 15	1
3.	a) consumer	1
4.	c) invoice	1
5.	a)Exceeding Rs. 1 crore	1
6.	a) Geo-Physical Environmental	1
7.	c) Liberalisation	1
8	c) Ownership of goods	1
9	b) 1881	1
10	c)3	1
	SECTION -II (any four) Q.no 15 compulsory	4x2=8
11.	Adulteration: (ANY 2) <ul style="list-style-type: none"> ❖ Mixing of stones with grains ❖ Mixing of coconut oil with pal mole in powdered rice/wheat is adulterated with starch ❖ Coffee powder is adulterated with tamarind seed ❖ Papayas seed is added to black pepper ❖ Chilli powder is adulterated with brick powder 	2 mark

12	<p>John.F Kennedy:</p> <ul style="list-style-type: none"> ❖ The former president of U.S.A Mr. John F. Kennedy defined ❖ “The Right of Safety ❖ The Right to be informed ❖ The Right to choose ❖ The Right to be heard.” 	2 mark
13	<p>State commission:</p> <ul style="list-style-type: none"> ❖ The State Commission is to be appointed by the State Government in consultation with the Centre. It has the same function as state level. The state consumer protection council is also known as “Consumer Disputes Redressal Commission”. 	2 mark
14	<p>GST:</p> <ul style="list-style-type: none"> ❖ GST is the indirect tax levied on goods and services across the country. It is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. 	2 mark
15.	<p>Contract of Sale :</p> <ul style="list-style-type: none"> ❖ Two parties ❖ Transfer of property ❖ Goods ❖ Price ❖ Include both sale and agreement to sell 	2 mark
SECTION -III (any four) Q.no 20 compulsory		4x3=12
16.	<p>Artificial Scarcity:</p> <ul style="list-style-type: none"> ❖ There are certain situations where the shop-keepers put up the board ‘No Stock’ in front of their shops, even though there is plenty of stock in the store. ❖ In such situations consumers who are desperate to buy such goods have to pay hefty price to buy those goods and thus earning more profit unconscientiously. ❖ Even in Cinema houses, board may hang in the main entrance ‘House Full’ while cinema tickets 	3 mark

	will be freely available at a higher price in the black market.	
17.	<p>National Commission:</p> <p>The National Consumer Disputes Redressal Commission has been constituted by a Notification.</p> <ul style="list-style-type: none"> ❖ The National Commission should have five members. ❖ One should be from judiciary. ❖ Four other members of ability, knowledge and experience from any other fields. ❖ It should include a woman. 	3 mark
18.	<p>New Economic policy:\</p>  <ul style="list-style-type: none"> ❖ The base for New Economic Policy in various countries of the world is Dunkel Draft, which was all about the General Agreements on Trade and Tariff. Mr. Arthur Dunkel (1932-2005) submitted a 22000 page document for the World Trade Organisation (WTO) and followed by many Nations to adopt their respective New Economic Policies. India is one among such nations to commit itself to the New Economic Policy in 1991. 	3mark
19.	<p>Existing Goods:</p> <p>Existing goods are those owned or possessed by the seller at the time of contract of Sale. Goods possessed even refer to sale by agents are by pledgers.</p> <p>(i) Specific Goods</p> <p>(ii) Ascertained Goods</p> <p>(iii) Unascertained or Generic Goods</p>	3mark

20.	Bill of Exchange & Promissory Note(any 3)				3 mark
	Sl. No.	Basic of Difference	Bill of Exchange	Promissory Note	
	1	Nature of Undertaking	A bill of exchange contains an unconditional order to pay money.	A promissory note contains an unconditional undertaking to pay money.	
	2	No. of Parties	There are three parties in a bill of exchange drawer ,drawee and payee.	In a promissory note there are only two parties the maker and the payee.	
	3	Drawer of the instrument	A creditor draws a bill on a debtor.	debtor executes a promissory note in favour of a creditor.	
	4	Identity of the parties	In a bill of exchange, both the drawer and the payee can be one and the same person.	In a promissory note, the maker himself cannot be the payee because the same person cannot be both the promisor and the promisee	
	6	Bearer Instrument	A bill of exchange can be drawn payable to bearer	A promissory note cannot be drawn payable to bearer.	
	7	Acceptance	A time bill must be accepted by the drawee.	No acceptance is necessary in the case of a promissory note as it is made by the debtor himself.	
	8	No. of sets	Foreign bills are drawn in sets of three.	Promissory notes are drawn so.	
	9	Conditionality	A bill may be accepted conditionally.	A note cannot be made conditional.	
10	Notice of dishonour	On dishonour of a bill, notice of dishonour must	No notice of dishonour is necessary in case		

		be given to the drawer and other endorsers.	of a promissory note	
	SECTION -IV			4x5=20
21.	<p>Consumer are Exploited : (Explain any five)</p> <ul style="list-style-type: none"> ❖ Selling at Higher Price ❖ Adulteration ❖ Duplicate or Spurious goods ❖ Artificial Scarcity ❖ Sub-standard ❖ Product Risk ❖ Warranty and Services ❖ Unsuitability of Products ❖ False Advertisements 			5mark
	<p>(or)</p> <p>Five important consumer legislations.(any 5)</p> <ul style="list-style-type: none"> ❖ The Indian Contract Act, 1982 was passed to bind the people on the promise made in the contract. ❖ The Sale of Goods Act, 1982: This Act protects consumers against sellers not complying with expressed and implied warranties in the sale contract. ❖ The Agricultural Products Grading and Marketing Act, 1937 ensures the supply of agricultural commodities at high quality. ❖ The Prevention of Food Adulteration Act, 1954 checks the adulteration of food articles and ensures purity of goods supplied and thus protects the health of consumers. ❖ The Trademark Act, 1999 prevents the use of fraudulent marks on the product. ❖ The Competition Act, 2002 protects the consumers against unhealthy competition. ❖ The Drugs and Cosmetics Act, 1940 ensures the safety of drugs and cosmetics sold in India. 			
22.	<p>Rights of Consumers (Explain any 5)</p> <ul style="list-style-type: none"> ❖ Right to Protection of Health and Right of Safety ❖ Right to be Informed ❖ Right to choose 			

	<ul style="list-style-type: none"> ❖ Right to be Heard ❖ Right to Seek Redressal ❖ Right to Consumer Education ❖ Right to Quality of Life ❖ Right to Consumer Protection ❖ Right to Basic Needs 	5x1=5
	<p style="text-align: center;">(or)</p> <p>Functions of National Commission: The National Consumer Disputes Redressal Commission (NCDRC), India is a quasi-judicial commission in India which was set up in 1988 under the Consumer Protection Act of 1986. Its head office is in New Delhi. The Commission is headed by a serving or retired judge of the Supreme Court of India. The National Consumer Disputes Redressal Commission (NCDRC) is also called as National Commission.</p> <p>Jurisdiction Section 21 of The Consumer Protection Act, 1986 describes, the National Commission shall have jurisdiction</p> <ol style="list-style-type: none"> 1. To entertain a complaint valued more than 1 Crore. 2. Revised the orders of State Commissions. 3. To call for the records and pass appropriate orders from the State Commission and District Forum. 	
23.	<p>Micro Environmental factors of Business (Explain any 5)</p> <ul style="list-style-type: none"> ❖ Suppliers: ❖ Customers: ❖ Competitors: ❖ Financiers: ❖ Marketing Channel members: ❖ Public 	5 mark
	<p style="text-align: center;">(or)</p> <p>Advantages and Disadvantages of liberalization (Explain any 5)</p> <p>Advantages(any 3)</p> <ul style="list-style-type: none"> ❖ Increase in foreign investment ❖ Increase the foreign exchange reserve ❖ (c) Increase in consumption 	

	<ul style="list-style-type: none"> ❖ Control over price ❖ Reduction in external borrowings <p>Disadvantages(any 3)</p> <ul style="list-style-type: none"> ❖ Increase in unemployment ❖ Loss to domestic units ❖ Increased dependence on foreign nations ❖ Unbalanced development 																									
24	<p>Distinguish between conditions and Warranty:</p> <table border="1"> <thead> <tr> <th>Sl. No</th> <th>Basic of Difference</th> <th>Condition</th> <th>Warranty</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Meaning</td> <td>It is a stipulation which is essential to the main purpose of the contract of sale.</td> <td>It is a stipulation which is collateral to the main purpose of contract.</td> </tr> <tr> <td>2.</td> <td>Significance</td> <td>Condition is so essential to the contract that the breaking of which cancels out the contract.</td> <td>It is of subsidiary or inferior character. The violation of warranty will not revoke the contract.</td> </tr> <tr> <td>3.</td> <td>Transfer of Ownership</td> <td>Ownership on goods cannot be transferred without fulfilling the conditons.</td> <td>Ownership on goods can be transferred on the buyer without fulfilling the warranty</td> </tr> <tr> <td>4.</td> <td>Remedy</td> <td>In case of breach of contract, the affected party can cancel the contract and claim damages.</td> <td>In the case of breach of warranty, the affected party cannot cancel the contract but can claim damages only.</td> </tr> <tr> <td>5.</td> <td>Treatment</td> <td>Breach of condition may be treated as breach of warranty</td> <td>Breach of warranty cannot be treated as breach of condition.</td> </tr> </tbody> </table>	Sl. No	Basic of Difference	Condition	Warranty	1.	Meaning	It is a stipulation which is essential to the main purpose of the contract of sale.	It is a stipulation which is collateral to the main purpose of contract.	2.	Significance	Condition is so essential to the contract that the breaking of which cancels out the contract.	It is of subsidiary or inferior character. The violation of warranty will not revoke the contract.	3.	Transfer of Ownership	Ownership on goods cannot be transferred without fulfilling the conditons.	Ownership on goods can be transferred on the buyer without fulfilling the warranty	4.	Remedy	In case of breach of contract, the affected party can cancel the contract and claim damages.	In the case of breach of warranty, the affected party cannot cancel the contract but can claim damages only.	5.	Treatment	Breach of condition may be treated as breach of warranty	Breach of warranty cannot be treated as breach of condition.	5
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	<p>(or)</p> <p>Features of Cheque (Explain any 5)</p> <ul style="list-style-type: none"> ❖ Instrument in Writings ❖ Unconditional Orders ❖ Drawn on a Specified Banker Only ❖ A Certain Sum of Money Only ❖ Payee to be Certain ❖ Signed by the Drawer ❖ Payable Always on Demand 	
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DEPARTMENT OF COMMERCE

SHRI VIDHYABHARATHI MATRIC HR. SEC. SCHOOL,

SAKKARAMPALAYAM, AGARAM (POST), ELACHIPALAYAM

THIRUCHENGODU (TK), NAMAKKAL (DT) - 637 202

Cell : 99655-31727, 99655-35967
