

COMMON PUBLIC EXAMINATION – MARCH 2023**CLASS: 12 STD****COMMERCE – ANSWER KEY****MARKS: 90****I. CHOOSE THE CORRECT ANSWER:****20*1=20**

A TYPE		B TYPE	
1	b). Motivation	1	b). Individual person
2	b). Individual person	2	d). Intangible
3	a). 3	3	d). 3
4	d). 24	4	b). Commercial Bank
5	a). Ralph Nader	5	a). Program Variable
6	b). Commercial Bank	6	a). Art and science
7	d). All of the above	7	d). Social class
8	b). Serving or retired judge of the supreme court	8	d). All of the above
9	d). Social class	9	a). Ralph Nader
10	a). Consumer satisfaction	10	d). 1996
11	d). Intangible	11	c). Environmental Marketing
12	a). Program Variable	12	b). Uncontrollable
13	d). On the Job and Off the Job	13	a). Globalization
14	b). Uncontrollable	14	b). Serving or retired judge of the supreme court
15	d). 3	15	a). 3
16	a). New issue market	16	a). Consumer satisfaction
17	d). 1996	17	b). Motivation
18	c). Environmental Marketing	18	a). New issue market
19	a). Globalization	19	d). On the Job and Off the Job
20	a). Art and science	20	d). 24

II. ANSWER ANY 7 QUESTIONS: (Q.NO: 30 IS CUMPULSORY)**7*2=14**

21	List out the management tools. <ul style="list-style-type: none">✱ Accounting✱ Business Law✱ Statistics✱ Econometrics✱ Data Processing
22	What is Capital Market? <ul style="list-style-type: none">• It is a market where buyers and sellers engage in trade of financial securities like bonds, and stocks

23	What are the types of Speculator?
	<div> <div>↔ Bull</div> <div>↔ Bear</div> <div>↔ Stag</div> <div>↔ Lame Duck</div> </div>
24	Give the meaning of Recruitment.
	Recruitment is the process of finding suitable candidates for the various posts in an organization.
25	Define Marketing Mix.
	<p>“Marketing mix is a pack of four sets of variables namely <i>product variable, price variable, promotion variable, and place variable</i>”.</p> <p style="text-align: center;">- Mr. Jerome McCarthy,</p>
26	What are the rights of consumer according to John F. Kennedy?
	<p>“The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard.”</p> <p style="text-align: center;">- Mr. John F. Kennedy</p>
27	What is Role play method?
	<ul style="list-style-type: none"> Under this method trainees are explained the situation and assigned roles. They have to act out the roles assigned to them without any rehearsal. There are no pre-prepared dialogues.
28	What is a contract of sale of goods?
	<ul style="list-style-type: none"> It is a contract whereby the seller transfers or agrees to transfer the property of the goods to the buyer for a price.
29	What is Quorum?
	<ul style="list-style-type: none"> A single person does not contain a meeting so it has to be seen that the required number of people are present. Requisite number of person at the meeting is called as quorum.
30	Why should an entrepreneur possess Decision making skill?
	<ul style="list-style-type: none"> To take timely and correct decision with regard to nature and type of product to be produced, type of technology to be adopted, type of human assets to be employed, location of the enterprise, size of the unit, volume of production and so on. The very success of any enterprise hinges on prompt, correct and relevant decisions made by the entrepreneur.
III. ANSWER ANY 7 QUESTIONS: (Q.NO: 40 IS CUMPULSORY)	
7*3=21	
31	List out the main functions of management?
	<ul style="list-style-type: none"> ♣ 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 Explain the Bear Speculator?

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

34 Write any three Characteristics of Human Resource. (any 3)

- ↔ 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

35 Explain the Niche Marketing?

- ★ A strategy of directing all marketing efforts towards one well defined segment of the population.
- ★ The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts.

36 Who are the members of the state commission?

- ★ Judge of a high court appointed by the state government as its president.
- ★ Two other members who shall be person of ability, integrity and standing and have knowledge.
- ★ One shall be women.

37 Distinguish between Negotiability and Assignability.

S.No	Particulars	Negotiability	Assignability
1	Transfer notice	Not required	Must be served by assignee on his debtor.
2	Title	Transferee gets the right of holder in due course.	Assignee's title is subject to the title of Assignor.
3	Consideration	It is presumed	It is proved

38 What do you understand by issue of securities at premium?

- ★ When shares are issued at a price above the face or nominal value, they are said to be issued at a premium.
- ★ For example, a share having the face value of Rs 10 is issued at Rs.12. Here, Rs.2 is the premium.
- ★ The amount of share premium has be transferred to an account called the 'Securities Premium

Account.

39 What are the principles of Taylor?

- ❖ Science, Not Rule of Thumb
- ❖ Harmony, Not Discord
- ❖ Mental Revolution
- ❖ Cooperation, Not Individualism

40. Give note on “Make in India Scheme”.

- ♣ This scheme is designed to transform India a global design and manufacturing hub, the make in India initiative was launched in September 2014.
- ♣ It came as powerful call to India’s citizens and business leaders, and an invitation to potential partners and investors around the world to centralize information about opportunities in India’s manufacturing sector.
- ♣ This has in turn helped procure investments, foster innovation, develop skills, protect intellectual property and build best in class manufacturing infrastructure.

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). Explain the micro environmental factors of business

i) Suppliers:

- ★ In any organisation the suppliers of raw materials and other inputs play a very vital role.
- ★ Organizations have realized the importance of nurturing and maintaining good relationship with the suppliers.

ii) Customers:

- ♣ The aim of any business is to satisfy the needs of its customers. The customer is the king business.
- ♣ Customer relationship management aims at creating and sustaining cordial relations with customers.

iii) Competitors:

- ★ All organizations face competition at all levels local, national and global.
- ★ Competitors may be for the same product or for similar products.

iv) Marketing Channel members:

- The marketing inter-mediaries serve as a connecting link between the business and its customers.
- Market research agencies help the firm to understand the needs of the customers

v) Public:

- ➞ The public group has the ability to make or mar a business.
- ➞ Many companies had to face closure due to actions by local public.

42 a). Explain the function of capital market?

i). Savings and Capital Formation

- ♣ In capital market, various types of securities help to mobilize savings from various sectors of population.

ii). Industrial Growth

- ♣ The stock exchange is a central market through which resources are transferred to the industrial sector thereby promoting the growth of the economy.

iii) Industrial Growth

- ↔ The stock exchange is a central market through which resources are transferred to the industrial sector thereby promoting the growth 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 corporations thereby promoting efficiency.

b). Explain the challenges faced by Women Entrepreneurs.

i). Problem of Finance:

- ✧ The access of women to external sources of funds is limited as they do not generally own properties in their own name.
- ✧ Financial institutions they impose stringent condition which discourages women to avail themselves of loan assistance from banks.

ii). Limited Mobility:

- ✧ Indian women cannot afford to shed their household responsibilities towards their family even after they plunge into the venture started by them.
- ✧ This restricts the mobility of women entrepreneur significantly.

iii). Lack of Education

- ❖ Illiterate and semi-literate women entrepreneurs encounter a lot of challenges in their entrepreneurial journey.
- ❖ This reduces the efficiency of operating the business successfully.

iv). Stiff Competition

- Women entrepreneurs have to face serious competition for their goods from organized sector and from their male counterparts.
- Since they are not able to spend freely due to financial restrictions.

v). Lack of Information

- ♣ Women entrepreneurs are reported not to be generally aware of subsidies and incentives available for them due to their poor literacy levels.

43 a). Explain the function of SEBI? (any 5)

- ✧ Regulating and controlling the business on stock markets.
- ✧ Barring insider trading in securities.
- ✧ Carrying out steps in order to develop the capital markets by having an accommodating approach.
- ✧ Levying fee or any other type of charges to carry out the purpose of the Act.
- ✧ Performing functions that may be assigned to it by the Central Government of India.

b). Explain in detail the elements of contract of sale?

i). Two Parties:

- ❖ A contract of sale involves two parties—the seller and the buyer.
- ❖ The buyer and the seller should be two different persons.

ii). Transfer of Property:

- ✧ To constitute sale, the seller must transfer or agree to transfer the ownership in the good to the buyer.
- ✧ A simple transfer of possession does not amount to sale.

iii). Goods:

- The term 'goods' includes every kind of movable property, stocks and shares, growing crops etc.

- Goodwill, trademarks, copy rights, patent rights etc., are all also regarded as goods.

iv). Price:

- ✱ The monetary consideration for the goods sold is called price.
- ✱ If goods are exchanged for goods, it is only barter and not a sale.

v). Includes both 'Sale' and 'Agreement to Sell':

- If the property in goods is transferred immediately to the buyer it is called a sale.
- If the transfer of property takes place at a future date or on fulfillment of certain conditions, it is 'an agreement to sell'.

44 a). Explain the difference between 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.

b). Write the difference between Shares and Debentures

S.No	Shares	Debenture
1	Shares are part of the capital of a company.	Debentures constitute a loan.
2	Top level.	Middle and Lower Level.
3	Shares do not carry any such charge.	Debentures generally have a charge on the assets of the company.
4	Shares cannot be issued at a discount.	Debentures can be issued at a discount without restrictions.
5	The holders enjoy voting right.	The holders do not have any voting right.

45 a). Give a Short note on a). Statutory meeting b). Extra-Ordinary General meeting

a) Statutory meeting:

- ✱ The first general meeting of the public company is called the statutory meetings.
- ✱ This meeting is conducted only once in the lifetime of the company.
- ✱ A private or a public company having no share capital need not conduct a statutory meeting.
- ✱ The company gives the circular to shareholders before 21 days of the meeting.

b) Extra-Ordinary General Meeting:

- ★ Both Statutory meeting and annual general meetings are called as ordinary meetings of a company.
- ★ All other general meetings other than statutory and annual general meetings are called extraordinary

general meetings.

- ★ If any meeting conducted in between two annual general meeting to deal with some urgent or special or extraordinary nature of business is called as extra-ordinary general meetings.

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 incase 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.

46 a). Explain how the 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.

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 monitory 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.

47 a). Explain the features of Cheque?

(i) Instrument in Writings:

- A cheque or a bill or a promissory note must be an instrument in writing.
- Though the law does not prohibit a cheque being written in pencil, bankers never accept it.

(ii) Unconditional Orders:

- ✱ The instrument must contain an order to pay money.
- ✱ It is not necessary that the word 'order' or its equivalent must be used to make the document a cheque.

(iii) Drawn on a Specified Banker Only:

- The cheque is always drawn on a specified banker.
- The customer of a banker can draw the cheque only on the particular branch of the bank where he has an account.

(iv). A Certain Sum of Money Only:

- ✱ The order must be for payment of only money.
- ✱ If the banker is asked to deliver securities, the document cannot be called a cheque.

(v) Payee to be Certain:

- The cheque must be made payable to a certain person or to the order of a certain person or to the bearer of the instrument.

b). Explain the purpose of Training? (any 5)

i) Improved Quality of Work

- ♣ Training helps to focus on specific area and develop employee skills.
- ♣ It enables employee to increase the quality of work carried out by them.

ii) Enhance Employee Growth

- ♣ Employees who undergo training become good at their job.
- ♣ Imparting new skills helps in performance enhancement of the employees.

iii) Prevention of Obsolesce:

- ♣ Training helps to learn more knowledge regarding the latest technologies and techniques.
- ♣ The employee gets updated with the latest technology and trend.
- ♣ The major purpose of training is to avoid obsolescence.

iv) Enlightening New Recruits

- ♣ New employee can learn the methods of working, techniques, reporting, related tools and equipment used in the job, the work culture of the company etc. with the help of training.

v) Improved Safety Measures:

- ♣ Employees gain awareness about the risks involved in job and safety measure to be adopted through a proper training program.
- ♣ This helps to improve safety in the work place and avoid accidents.

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

- ❖ 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