

**12<sup>th</sup>**  
**STD****PUBLIC EXAMINATION MARCH - 2023**

Reg. No.

--	--	--	--	--	--	--	--

**PART - III****TIME ALLOWED : 3.00 Hours]****COMMERCE (with Answers)****[MAXIMUM MARKS : 90****Instructions :**

- 1) Check the question paper for fairness of printing. If there is any lack of fairness, inform the Hall Supervisor immediately.
- 2) Use **Blue** or **Black** ink to write and underline and pencil to draw diagrams

**PART - I****Note :** (i) Answer **all** the questions. **20 × 1 = 20**(ii) Choose the most appropriate answer from the given **four** alternatives and write the option code and the corresponding answer.

1. Who can become a Secretary of a Company?  
(a) Co-operative Society (b) Individual person  
(c) Trade Union (d) Partnership Firm
2. Human Resource is a \_\_\_\_\_ asset.  
(a) Fixed (b) Tangible  
(c) Current (d) Intangible
3. Public Company shall have a minimum number of \_\_\_\_\_ Directors.  
(a) 5 (b) 2 (c) 6 (d) 3
4. A major player in the money market is the \_\_\_\_\_.  
(a) State Bank of India  
(b) Commercial Bank  
(c) Central Bank  
(d) Reserve Bank of India
5. In the following Variables which one is not the Variable of marketing mix?  
(a) Program Variable (b) Place Variable  
(c) Price Variable (d) Product Variable
6. Management is an :  
(a) Art and Science (b) Art  
(c) Art or Science (d) Science
7. Social Marketing deals with :  
(a) Social change (b) Society  
(c) Social evil (d) Social class
8. The characteristics of an entrepreneur is/are :  
(a) Flexibility (b) Self - confidence  
(c) Spirit of enterprise (d) All of the above
9. Who is the Father of Consumer Movement?  
(a) Ralph Nader (b) Mahatma Gandhi  
(c) Jawaharlal Nehru (d) John F. Kennedy
10. Trading in dematerialized shares commenced on the NSE in the year  
(a) 1997 (b) 1995  
(c) 1998 (d) 1996
11. Green Marketing is also known as \_\_\_\_\_.  
(a) Referral Marketing (b) Social Marketing  
(c) Environmental Marketing  
(d) Guerrilla Marketing
12. Macro Environment of business is an \_\_\_\_\_ factor.  
(a) Manageable (b) Uncontrollable  
(c) Unmanageable (d) Controllable
13. \_\_\_\_\_ results from the removal of barriers between national economies to encourage the flow of goods, services, capital and labour.  
(a) Globalisation (b) Privatisation  
(c) Foreign Trade (d) Liberalisation
14. The Chairman of the National Consumer Disputes Redressal Commission is :  
(a) President of India  
(b) Serving or retired Judge of the Supreme Court of India  
(c) High Court Judge (d) Prime Minister
15. Number of parties in a Bill of Exchange are :  
(a) 3 (b) 2 (c) 4 (d) 6
16. The final aim of Modern Marketing is \_\_\_\_\_.  
(a) Consumer satisfaction  
(b) Maximum profit  
(c) Service to the Society  
(d) Minimum profit
17. The goals are achieved with the help of \_\_\_\_\_.  
(a) Planning (b) Motivation  
(c) Staffing (d) Controlling
18. Primary market is also called as :  
(a) New Issue Market (b) Capital Market  
(c) Indirect Market (d) Money Market
19. Training methods can be classified into \_\_\_\_\_ and \_\_\_\_\_ training.  
(a) Job analysis and Job design  
(b) Job rotation and Job enrichment  
(c) Physical and Mental  
(d) On the Job and Off the Job
20. There are \_\_\_\_\_ Stock Exchanges in the Country.  
(a) 20 (b) 21 (c) 25 (d) 24

## PART - II

**Note :** Answer **any seven** questions. Question No. 30 is **Compulsory.**  $7 \times 2 = 14$

21. List out the Management tools.
22. What is Capital Market?
23. What are the types of Speculators?
24. Give the meaning of 'Recruitment'.
25. Define Marketing Mix.
26. What are the rights of Consumers according to John F. Kennedy?
27. What is Role play method?
28. What is a contract of Sale of goods?
29. What is Quorum?
30. Why should an Entrepreneur possess Decision Making Skill?

## PART - III

**Note :** Answer **any seven** questions. Question No. 40 is **Compulsory.**  $7 \times 3 = 21$

31. List out the main functions of Management.
32. Write a note on Secondary Market.
33. Explain Bear Speculator.
34. Write any three characteristics of Human Resources.
35. Explain Niche Marketing.
36. Who are the members of the State Commission?
37. Distinguish between Negotiability and Assignability. (Any 3)
38. What do you understand by Issue of Securities at Premium?
39. What are the Principles of Taylor?
40. Give note on "Make in India Scheme".

## PART - IV

**Note :** Answer **all** the questions.  $7 \times 5 = 35$

41. (a) Explain the principles of Modern Management.  
(OR)  
(b) Explain the micro environmental factors of business.
42. (a) Explain the functions of Capital Market.  
(OR)  
(b) Explain the challenges faced by Women Entrepreneurs.
43. (a) Explain the functions of SEBI.  
(OR)  
(b) Explain in detail the elements of Contract of Sale.
44. (a) Explain the differences between Recruitment and Selection. (OR)  
(b) Write the differences between Shares and Debentures.
45. (a) Give short notes on:  
(i) Statutory meeting  
(ii) Extra-ordinary General Meeting.  
(OR)  
(b) What are the responsibilities of Consumers?

46. (a) Explain how the Market can be classified on the basis of Economics.  
(OR)  
(b) Explain how consumers are exploited.
47. (a) Explain the features of a Cheque.  
(OR)  
(b) Explain the purpose of Training.

\*\*\*

## ANSWERS

## PART - I

1. (b) Individual person
2. (d) Intangible
3. (d) 3
4. (b) Commercial Bank
5. (a) Program Variable
6. (a) Art and Science
7. (d) Social class
8. (d) All of the above
9. (a) Ralph Nader
10. (d) 1996
11. (c) Environmental Marketing
12. (b) Uncontrollable
13. (a) Globalisation
14. (b) Serving or retired Judge of the Supreme Court of India
15. (a) 3
16. (a) Consumer satisfaction
17. (b) Motivation
18. (a) New Issue Market
19. (d) On the Job and Off the Job
20. (d) 24

## PART - II

21. Tools of managements have been developed such as accounting, business law, psychology, statistics, econometrics, data processing, etc.
22. **Capital market** is a market where buyers and sellers engage in trade of financial securities like bonds and stocks. The buying and selling is undertaken by participants such as individuals and institutions.
23. **Speculators are classified in to four types :**  
(i) Bull (ii) Bear  
(iii) Stag and (iv) Lame Duck

24. **Recruitment** is the process of finding suitable candidates for the various posts in an organisation. It is a process of attracting potential people to apply for a job in an organisation.
25. According to Jerome Mc. Carthy, "**Marketing mix** is a pack of four sets of variables namely product variable, price variable, promotion variable and place variable".
26. The former president of USA Mr, John F. Kennedy defined the basic consumer rights as "The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard".
27. **Role pay method:** Under this method trainees are explained the situation and assigned roles. They have to act out the roles assigned without any rehearsal. There is no pre-prepared dialogues.
28. Contract of sale of goods is a contract where by the seller transfers or agrees to transfer the property (Ownership) of the goods to the buyer for a price.
29. **Quorum:** There is another requirement of quorum. 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. **Entrepreneur possess Decision Making Skill :**
- 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.
- PART - III**
31. **The main functions of management are :**
- |                     |                  |
|---------------------|------------------|
| (i) Planning        | (ii) Organising  |
| (iii) Staffing      | (iv) Directing   |
| (v) Motivating      | (vi) Controlling |
| (vii) Co-ordination |                  |
32. **Secondary Method:**
- Secondary market may be defined as the market for old securities, in the sense that securities which are previously issued in the primary market are traded here.
  - The trading takes place between investors who follow the original issue in the primary market.
  - It covers both stock exchange and over the counter market.
33. **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 does not have securities at present, but sells them at higher prices in anticipation that he will supply them by purchasing at lower price in future.
  - A bear usually presses its victim down to ground. A bear is a pessimistic speculator.
34. The unique, peculiar and distinctive features of human resources are as under :
- Human resource is the only factor of production that lives.
  - Human resource created all other resources.
  - It is only the labour of employees that is hired and not the employee himself.
35. (i) Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population.
- It is found by company by identifying the need of customers which are not served or under served by the competitors.
  - A niche market does not mean a small market, but it involves specific target audience with a specialized offering.
  - It aimed at being a big fish in a small pond instead of being a small fish in a big pond.
36. Each State Commission shall consist of the following members.
- A person who is or has been a Judge of a High Court appointed by the State Government as its President.
  - Two other members who shall be persons of ability, integrity and standing and have adequate knowledge or experience or have shown capacity in dealing with problems relating to economics, law, commerce, industry, public affairs or administration of them, one shall be a woman.

37.

Sl. No.	Basis of Difference	Negotiability	Assignability
1.	Legal ownership	It passes to the transferee by mere endorsement in the case of a bearer instrument and by endorsement and delivery in the case of an order instrument.	An assignment can be made by observing certain formalities. For instance, an instrument is to be made in writing, duly stamped and signed by the transferor or his agent.
2.	Notice	Notice is not necessary for the holder of negotiable instrument to claim the payment from the debtor.	In case of actionable claim, notice of the assignment by the transferee regarding the transfer of debt to the debtor is necessary.
3.	Nature of title	Holder of negotiable instrument in due course gets a better title than even the transferor.	The transferee's title to the instrument is subject to the defects of the transferor's title.

38. When shares are issued at a price above the face or nominal value, they are said to be issued at a premium.

- (i) To write off preliminary expenses.
- (ii) To write off the expenses of issue, or commission paid, or discount allowed, on issue of shares or debentures of the company.
- (iii) To provide for the payment of premium on the redemption of any redeemable preference shares or debentures of the company.

Thus, securities premium is not available for distribution of dividend.

39. **Taylor propounded the principles of scientific management.** They are :

- (i) Science, Not Rule of Thumb
- (ii) Harmony, Not Discord
- (iii) Mental Revolution
- (iv) Co-operation, Not individualism
- (v) Development of each and every person to his or her greatest efficiency and prosperity.

40. **Make in India Scheme:**

- (i) This scheme is designed to transform India into a global design and manufacturing hub, the Make in India initiative was launched in September 2014.
- (ii) It came as a 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.

#### PART - IV

41. (a)

#### Principles of Modern Management:

Henry Fayol is the father of modern management. The following are the major principles of modern management are,

- (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 and therefore increasing productivity.
- (ii) **Authority and Responsibility** : 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 organisations.
- (iv) **Unity of command** : This principle states that each sub-ordinate should receive orders and be accountable to one and only one superior.
- (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.

(OR)

- (b) **Micro environment** refers to those factors which are in the immediate environment of business affecting its performance. These includes the following :



- (i) **Suppliers :** In any organisation the suppliers of raw materials and other inputs play a very vital role. Timely procurement of materials from suppliers enables continuity in production and reduces the cost of maintaining stock/inventory.
- (ii) **Customers :** The aim of any business is to satisfy the needs of its customers. The customer is the king and the fulcrum around which the business revolves.
- (iii) **Competitors :** All organisations face competition at all levels such as local, national and global. It is important for a business to understand its competitors and modify their business strategies in the face of competition.
- (iv) **Financiers :** The financiers of a business which includes the debenture holders and financial institutions play a significant part in the running of a business. Their financial capability, policies strategies, attitude towards risk and ability to give non-financial assistance are all important to a business.
- (v) **Public :** This refers to any group like media group, citizen action group and local public which has an impact on the business. Many companies had to face closure due to actions by local public.

42. (a)

**The capital market functions are as follows :**

- (i) **Savings and Capital Formation :** In capital market, various types of securities help to mobilise savings from various sectors of population like individuals, corporate, government, etc.
- (ii) **Permanent Capital :** The existence of a capital market/stock exchange enables companies to raise permanent capital.
- (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 capital market/stock exchange encourages people to invest in productive channels.
- (iv) **Ready and Continuous Market :** The stock exchange provides a central convenient place where buyers and sellers can easily purchase and sell securities.
- (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.

(OR)

(b) **Challenges faced by women Entrepreneurs :**(i) **Problem of Finance :**

- (1) The access of women to external sources of funds is limited as they do not generally own properties in their own name.
- (2) Because of the limited funds, women entrepreneurs are not able to effectively and efficiently run and expand their business.

(ii) **Limited Mobility :**

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

(iii) **Lack of Education :**

- (1) Illiterate and semi-literate women entrepreneurs encounter a lot of challenges in their entrepreneurial journey with respect to maintaining accounts, understanding money matters, day-to-day operations of the company, marketing the products, applying technology etc.,
- (2) This reduces the efficiency of operating the business successfully.

(iv) **Lack of Network Support :**

- (1) The successful operation of any venture irrespective of the size depends upon the network of support extended by various constituencies like family members, friends, relatives, acquaintances, neighbours, institutions and so on.
- (2) But it is reported that women entrepreneurs get very limited support in times of crisis from most of these constituencies.

(v) **Stiff Competition :**

- (1) Women entrepreneurs have to face acute competition for their goods from organised sector and from their male counter parts.
- (2) Since, they are not able to spend liberally due to financial constraints, they are not able to compete effectively and efficiently in the market.

43. (a) **The functions of (Securities Exchange Board of India) SEBI are as follows :**

- (i) Safeguarding the interests of investors by means of adequate education and guidance.
- (ii) Regulating and controlling the business on stock markets.
- (iii) Conduct inspection and inquiries of stock exchanges, intermediaries and self-regulating organisations and to take appropriate measures wherever required.
- (iv) Barring insider trading in securities.
- (v) Prohibiting deceptive and unfair methods used by financial intermediaries operating in securities markets.
- (vi) SEBI Issues Guidelines and instructions to businesses concerning capital issues.

(OR)

(b) Following essential elements are necessary for a **contract of sale**

(i) **Two Parties :**

- (1) A contract of sale involves two parties – the seller and the buyer.
- (2) The buyer and the seller should be two different persons. If a person buys his own goods, there is no sale.

(ii) **Transfer of Property :**

- (1) To constitute sale, the seller must transfer or agree to transfer the ownership in the good to the buyer.
- (2) A mere transfer of possession does not amount to sale.

(iii) **Goods :**

- (1) The subject matter of contract of sale must be goods. It excludes money, actionable claims and immovable property.
- (2) The term 'goods' includes every kind of movable property, stocks and shares, growing crops etc.
- (3) Goodwill, trademarks, copy rights, patent rights etc., are all also regarded as goods.

(iv) **Price :**

- (1) The monetary consideration for the goods sold is called price.
- (2) If goods are exchanged for goods, it is only barter and not a sale.
- (3) But if goods are sold partly for goods and partly for money, the contract is one of sale.

(v) **Includes both 'Sale' and 'Agreement to Sell' :**

- (1) The term contract of sale includes both sale and agreement to sell.
- (2) If the property in goods is transferred immediately to the buyer it is called a sale.
- (3) On the other hand, if the transfer of property takes place at a future date or on fulfilment of certain conditions, it is called 'an agreement to sell'.

44. (a)

S. No.	Basis of comparison	Recruitment	Selection
1.	Approach	Approach under recruitment is positive one	Approach under selection is negative one
2.	Objective	Inviting large number of candidates to apply for the vacant post	Picking up the most suitable candidates and eliminating the rest
3.	Sequence	First	Second
4.	Method	It is an economical method	It is an expensive method
5.	Contractual relation	It involves the communication of vacancies. No contractual relation is established	It creates contractual relation between employer and employee
6.	Process	Recruitment process is very simple	Selection process is very complex and complicated

(OR)

(b)

Sl. No.	Debentures	Shares
1.	Debentures constitute a loan	Shares are part of the capital of a company
2.	Middle and lower level	Top level
3.	Debenture holder gets fixed rate of Interest which carries a priorities over dividend.	Shareholders gets dividends with a varying rate
4.	Debentures generally have a charge on the assets of the company	Shares do not carry any such charge
5.	Debentures can be issued at a discount without restrictions	Shares cannot be issued at a discount.

45. (a)

(i) **Statutory Meeting :**

- (1) According to Companies Act, every public company, should hold a meeting of the shareholders within 6 months but not earlier than one month from the date of commencement of business of the company.
- (2) This is the first general meeting of the public company is called the Statutory Meeting.
- (3) This meeting is conducted only once in the lifetime of the company.
- (4) A private company or a public company having no share capital need not conduct a statutory meeting.
- (5) The company gives the circular to shareholders before 21 days of the meeting.

- (ii) **Extra-ordinary General Meeting :** 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.

(OR)

(b) The responsibilities of consumer are listed below ;

- (i) The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- (ii) The consumer has got a responsibility to apply to the seller for the delivery of the goods.
- (iii) The consumer has to bear any loss which may arise to the seller when the consumer delays taking delivery of the goods as per the terms of contract.

- (iv) The consumer is bound to pay any interest and special damages caused to the seller in case if there is delay in the payment.
- (v) The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
- (vi) The consumer has the responsibility to express unambiguously to the seller of his requirements and expectations from the product.

46. (a)

On the basis of Economic the market can be classified into : (a) Perfect market (b) Imperfect market

- (a) **Perfect market :** A market is said to be a perfect market, if it satisfies the following conditions.
  - (i) Large number of buyers and sellers.
  - (ii) Prices should be uniform throughout the market.
  - (iii) Buyers and sellers have a perfect knowledge of market.
  - (iv) Goods can be moved from one place to another without restrictions.
  - (v) The goods are identical or homogeneous. It should be remembered that such types of markets are rarely found.
- (b) **Imperfect market :** A market is said to be imperfect when :
  - (i) Products are similar but not identical
  - (ii) Prices are not uniform
  - (iii) There is lack of communication
  - (iv) There are restrictions on the movement of goods.

(OR)

- (b) Consumers are exploited in many ways. Some of them are given below:
- (i) **Selling at higher price :** The price charged by the seller for a product/ service may not be commensurate 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. Adulteration is quite common in food articles. For example: Mixing of stones with grains, coffee powder is adulterated with tamarind seed, etc.
  - (iii) **Duplicate or Spurious goods :** Duplicate products of popular products are illegally produced and sold. Duplicates are available in plenty in the market for every original and genuine parts or components like automobile spare parts, blades, pens, watches, radios, medicines, jewellery, clothes and even for currency notes. A consumer is not in a position to distinguish duplicate from the original.
  - (iv) **Artificial Scarcity :** 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. Even in Cinema houses, board may hang in the main entrance 'House Full' while cinema tickets will be freely available at a higher price in the black market.
  - (v) **Sub-standard :** On opening a packet or sealed container one may find the content to be of poor quality. Thus gullible consumers are easily and legally cheated.
47. (a) **Features of a 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 because of risks involved.
  - (ii) **Unconditional order :** 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. A cheque vitally differs from a bill in this respect as latter can be drawn on any person including a banker.
  - (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. Further, the sum of money must be certain.
  - (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. The word, person includes bodies corporate, local authorities, associations, holders of office of an institution etc.
- (OR)
- (b) The purpose of training can be explained as follows:
- (i) **Improved quality of work :** Training helps to focus on specific area and develop employee skills. It enables employee to increase their quality of work.
  - (ii) **Enhance employee growth :** Employees who undergo training becomes good at their job. Imparting new skills helps in performance enhancement of the employees.
  - (iii) **Prevention of obsolescence :** Training helps to learn more knowledge regarding the latest technologies and techniques. The employee gets updated with the latest technology and trend.
  - (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 this 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.

