

2MM

SECOND MID TERM TEST - 2023

COMMERCE

11 - Std

Time : 1.30 Hrs

Marks : 45

I Answer all the question.

10 x 1 = 10

1. There are distinct modes of credit to self help groups
a) 1 b) 2 c) 3 d) 4
2. acts as a connective link between the producer and the consumer.
a) Trade b) Industry c) Commerce d) Business
3. Merchant Middlemen can be classified into categories.
a) Three b) Two c) Five d) Four
4. are mobile traders who deal in low prices articles with no fixed place of business.
a) Shopping malls b) Super markets c) Street stalls d) Itinerant traders
5. Movement of goods services among the countries. a) International trader
b) International business c) Enterpot trade d) Internal trade
6. STC is expansion for a) State Training center
b) State training council c) State trading center d) State trading corporation
7. General agreement on tariff and trader was signed on a) 30 October 1947
b) 29 October 1947 c) 28 October 1947 d) 26 October 1947
8. The term official capital includes a) RBI holding of foreign currencies
b) Special Drawing right hold by the Government c) Boath A and B d) Foreign investment
9. An agreement enforceable by law
a) En forceable acceptance b) Accepted officer c) Approved promise d) Contract
10. Match list I with list II and select the correct answer using the codes given below.

List I	List II	Code	(i)	(ii)	(iii)	(iv)
1) Offer	(1) section 2 (e)	a	1	2	3	4
2) Acceptance	(2) section 2 (h)	b	4	3	2	1
3) Agreement	(3) section 2 (b)	c	2	3	1	4
4) Contract	(4) section 2 (a)	d	3	4	1	2

Note : Answer any five questions. Q.No. 17 is compulsory.

5 x 2 = 10

11. Explain the meaning of entreport trade?
12. Who is a broker?
13. State the meaning of multiple shop?
14. What is law.
15. What is meant by import trade?
16. What is meant by letter of credit?
17. All the contract are agreements but all the agreements are not contract - explain.

Note : Answer any five questions. Questions No. 24 is compulsory.

18. Explain any three characteristics of wholesalers. 5 x 3 = 15
19. What are the contents of Indents.
20. What are the credit items shown in current accounts.
21. Explain the characteristics of super markets. (any three).
22. What so you meant by agreement.
23. Who will perform the contract?
24. Explain tele marketing?

Note : Answer all the questions.

2 x 5 = 10

25. What are the features of internal trade. (OR) Difference between contract and agreement
26. State the features of Departmental stores. (OR) Write any five features of balance of payments.

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+1 Commerce II Midterm Madurai Dt. Nov 2023

1. C 3 10 x 1 = 10
2. A Trade
3. B Two
4. D Itnerant Traders
5. A International Trader.
6. D State Trading Corporation.
7. A 30 Oct 1947
8. C Both A and B
9. D Contract
- 10.B 4 3 2 1

Answer any FIVE Questions: 5 x 2 = 10

11. Entrepot Trade: Entrepot trade means importing of goods from one country and exporting the same to foreign countries. It is also known as 'Re-export trade'.

12. Brokers: A Broker is one who bargains for another and receives commission for his service. He is paid 'brokerage' for his services. He brings buyer and the seller to the negotiating process and arranges for finalising contracts between them. The principal businessman does not pass on either possession of goods or the ownership of goods to the broker. The broker is not personally liable for the contracts concluded.

13. Chain Stores or Multiple Shops A number of identical retail shops with similar appearance normally deal in standardised and branded consumer products established in different localities owned and operated by manufacturers or intermediaries are called as Chain stores or Multiple shops.

14. LAW: Law means a 'set of rules' which governs our behaviour and relating in a civilized society. So there is no need of Law in a uncivilized society. One to should know the

law to which he is subjected to because ignorance of law is no excuse.

15. Import Trade: Import trade means buying goods from a foreign country for domestic use. Example. India imports petroleum products from Gulf Countries. India imports machinery, equipment, materials etc. It is necessary to speed-up industrialization, to meet consumer demands and to improve standard of living.

16. Letter of Credit

Under this stage exporter intends to satisfy himself/herself about the trust worthiness of the importer. In this case the exporter is requested to arrange a letter of credit in his favour.

17. A contract is an agreement enforceable by law. Every contract contains a legal obligation. A contract includes an agreement. An agreement does not included a contract.

Answer any FIVE Questions: 5 x 3 = 15

18. The Characteristics of Wholesalers

1. Wholesalers buy goods directly from producers or manufacturers,
2. Wholesalers buy goods in large quantities and sell in relatively smaller quantities,
3. Wholesalers sell different varieties of a particular variety of product,
4. They employ a number of agents or workers for distribution of products
5. They need large amount of capital to be invested in his business,

19. Contents of Indent

- a. Quantity of goods sent
- b. Design of goods
- c. Price
- d. Nature of packing shipment
- e. Mode of shipment
- f. Period of delivery
- g. Mode of payment

20. Credit items shown in current accounts.

1. Goods Export(visible)
2. Invisible Exports
1. Transport service sold abroad
2. Banking service sold abroad
3. Insurance service sold abroad
4. Income received on loan and investment made in foreign countries
5. Expenses incurred by foreign tourists in India

21. Characteristics of a super market

1. Supermarkets are generally situated at the main shopping centres.
2. The goods kept on racks with clearly labelled price and quality tags in such stores,
3. The customers move into the store to pickup goods of their requirements, bring them to the cash counter, make payment and take home delivery.
4. The goods are sold on cash basis only. No credit facilities are made available.
5. Supermarkets are organised on departmental basis.

22. Agreement: Agreement 2(e) Every promise and set of promises forming consideration for each other is an agreement. In short, Agreement = Offer + Acceptance.

23. Who will Perform the Contract?

i) Promisor himself (Section 40) Under Para 1 to Section 40, it is laid down that where it appears from the nature of the contract, the intention of the parties that any promise contained in it must be performed by the promisor himself or by his legal representatives or by any other competent person employed by him, then such promise must be performed by the promisor himself or by his legal representatives or by any other competent person employed by him.

ii) Agent (Section 40) According to Para 2 of Section 40, the promisor may employ a competent person such as agent to perform the promise, if the contract is not formed on personal condition.

iii) Representations (Section 37)

A contract which involves the use of personal skill or it is found on personal considerations, comes to an end if the promisor dies. Of course in case of other contracts, the legal representatives of a deceased promisor are bound to perform it as provided in Para 2 of Section 37.

iv) Third Person (Section 41) According to Section 41, if a promise accepts the performance of the promise by a third person he cannot afterwards enforce it against the promisor

24. Tele Marketing: Potential Customers are contacted through telephone or mobile to provide information about the products. Willing customers visit the office and place the orders. This method is useful for loan, financing, insurance services, credit card, etc. No middlemen in this marketing and cost reduced accordingly.

Answer ALL Questions: 2 x 5 = 10

25. (A) Features of Internal Trade

The following are the features of internal trade:

- a. The buying and selling of goods takes place within the boundaries of the same country.
- b. Payment for goods and services is made in the currency of the home country.
- c. It involves transactions between the producers, consumers and the middlemen.
- d. It consists of a distribution network of middlemen and agencies engaged in exchange of goods and services.

- e. In home trade the risk of transportation is very less when compared to the foreign trade.
- f. In home trade the laws prevailing in that country only have to be followed.
- g. The aim of home trade is to provide the goods and services economically.
- h. The goods must be a part of domestic production.
- i. Goods must be purchased from an individual or a firm established within a country.
- J. Goods can be delivered using locally available modes of transport.
- k. It does not involve any custom/import duty, but buyers need to pay the taxes to the Government.

25 Definition	B A contract is an agreement enforceable by law.	An Agreement is every promise or every set of promises forming consideration
Enforceability	Every contract is enforceable	Every promise is not enforceable.
Inter relationship	A contract includes an agreement.	An agreement does not include a contract.
Validity	Only legal agreements are called contracts.	An agreement may be both legal and illegal.
Legal Obligation	Every contract contains a legal obligation.	It is not necessary for every agreement to have legal obligation.

26. (A) Features of Departmental Stores:

- i. Large Size:** A department is a large scale retail showroom requiring a large capital investment by forming a joint stock company managed by a board of directors. There is a Managing Director assisted by a general manager and several department managers.

ii. Wide Choice: It acts as a universal provider of a wide range of products from low priced to very expensive goods (Pin to Car) to satisfy all the expected human needs under one roof.

iii. Departmentally organized Goods offered for sale are classified into various departments. Each department specialises in one line of product and operates as a separate unit.

iv. Facilities provided: It provides a number of facilities and services to the customers such as restaurant, rest rooms, recreation, packing, free home delivery, parking, etc.

v. Centralised purchasing All the purchases are made centrally and directly from the manufacturers and operate separate warehouses whereas sales are decentralised in different departments.

26. (B) Features of Balance of Payments:

1. It is a systematic record of all economic transactions between one country and certain other countries of the world
2. It is prepared for a period of three months or twelve months, i.e., usually 12 months
3. It contains all receipts and payments both visible and invisible
4. It includes all economic transactions both recorded on current account and capital account
5. Economic transactions are recorded according to double entry principle of book keeping. Accordingly receipts are recorded on credit side and payments are recorded on debit side
6. It indicates a country's position in foreign trade