

## Section - I

Answer all questions.

(20 x 1 = 20)

1. Scientific management is developed by  
a) Foyle                      b) Taylor                      c) Mayo                      d) Jacob
  2. What is the first step in process of MBO?  
a) Fixing Key result area                      b) Appraisal of activities  
c) Matching resources with objectives                      d) Defining organizational objectives
  3. The financial market facilitates business firms -----  
a) To raise funds                      b) To select employees  
c) To make more sales                      d) To minimise fund requirements
  4. Capital market do not provide -----  
a) Short term funds                      b) Debenture funds                      c) Equity funds                      d) Long term funds
  5. An optimistic speculators is  
a) Stag                      b) Bear                      c) Bull                      d) Lame Duck
  6. The headquarters of SEBI is -----  
a) Calcutta                      b) Mumbai                      c) Chennai                      d) Delhi
  7. When trainees are trained by supervisor or by superior at the job is called  
a) Vestibule training                      b) Refresher training  
c) Role plays                      d) Apprenticeship training.
  8. Social marketing is deals with -----  
a) Society                      b) Social class                      c) Social change                      d) Social evil
  9. The Consumer Protection Act came into force with effect from  
a) 01.01.1986                      b) 01.04.1986                      c) 15.04.1987                      d) 15.04.1990
  10. Which of the below constitutes the essential element of contract of sale?  
a) Two parties                      b) Transfer of property                      c) Price                      d) All of the above
  11. Section 6 of Negotiable Instruments Act 1881 deals with  
a) Promissory Note                      b) Bills of exchange                      c) Cheque                      d) None of the above
  12. Which one is the example of Intangible assets?  
a) Human Resource                      b) Machine                      c) Land                      d) Vehicles
  13. What are the characteristics of an entrepreneur?  
a) Spirit of enterprise                      b) Flexibility                      c) Self Confidence                      d) All of the above
  14. ----- is designed to transform India to a global design and manufacturing hub.  
a) Digital India                      b) Make in India                      c) Startup India                      d) Design India.
  15. The process of eliminating unsuitable candidate is called  
a) Selection                      b) Recruitment                      c) Interview                      d) Induction
  16. A Public Company shall have a minimum of -----  
(a) Seven directors                      (b) Five directors                      (c) Three directors                      (d) Two directors
  17. From the date of its incorporation the First Annual General Meeting is to be conducted within ----- months.  
(a) Twelve                      (b) Fifteen                      (c) Eighteen                      (d) Twenty one
  18. Match the following:  
1) Indirect Resources - i) Outsourcing  
2) Ability Test - ii) Intelligent Test  
3) Personality Test - iii) Interest Test  
4) Direct Resources - iv) Campus Interview
- |    |    |     |     |    |    |     |     |    |
|----|----|-----|-----|----|----|-----|-----|----|
|    | 1  | 2   | 3   | 4  | 1  | 2   | 3   | 4  |
| a) | i  | ii  | iii | iv | b) | ii  | iii | iv |
| c) | iv | iii | i   | ii | d) | iii | i   | ii |
|    |    |     |     |    |    |     | iv  | iv |

19. **Assertion (A):** Under privatization policy many Public Sector Units (PSUs) were sold to private sector.  
**Reason (R):** The main reason for privatisation was that PSUs were running in losses due to mismanagement and political interference.  
 a) A and R are correct and R is the correct explanation for A  
 b) A and R are correct and R is a false explanation for A  
 c) A is correct but R is false                      d) A is false but R is correct
20. **Find odd one out**  
 a) Mental Revolution                                      b) Division of Work  
 c) Unity of Command                                      d) Unity of Direction

### Section - II

**Note: Answer any five questions in which Question No.30 is compulsory.**

21. List out the management tools. (7x2=14)  
 22. What do mean by Demat Account?  
 23. What are the types of Speculator?  
 24. What is poaching as a recruitment method?  
 25. What is social marketing?  
 26. What is regulated market?  
 27. Write any three advantages of Globalisation.  
 28. Give examples of pure entrepreneurs.  
 29. Who is called whole time Director?  
 30. The word market is derived from the \_\_\_\_\_ word 'Marcatus'

### Section - III

**Note: Answer any five questions in which Question No.40 is compulsory**

31. Write the feature of MBO. (any 3) (7x3=21)  
 32. Write a Short Note on Secondary Market  
 33. Explain the types of Treasury Bills? (any 3)  
 34. Bull and Bear - Explain.  
 35. What is stress interview?  
 36. Explain the detail about Niche marketing.  
 37. What is artificial scarcity?  
 38. What do you know about Technological environment?  
 39. What is statutory meeting?  
 40. What is the name of an entrepreneur who starts his entrepreneurial activity in urban areas like state capital, district headquarters, cities and municipalities?

### Section - IV

**Answer all questions.**

**(7x5=35)**

41. Explain the principles of modern management. (any five) **(OR)**  
 Give any five differences between shares and debentures  
 42. Discuss the problems faced by women entrepreneurs. (any five) **(OR)**  
 Describe different types of financial markets: (any five)  
 43. Describe the functions of SEBI. (any five) **(OR)**  
 Describe various methods of training. (any five)  
 44. Discuss in detail the features of a cheque. (any five) **(OR)**  
 Mention the components of marketing mix.  
 45. How consumers are exploited? (any five) **(OR)**  
 Explain the micro environmental factors of business. (any five)  
 46. Differentiate between the Money Market and Capital Market. (Any five) **(OR)**  
 Explain different types of company meetings.  
 47. State the qualification of Directors. **(OR)**  
 What are the responsibilities of consumers? (any five)



**HALF YEARLY EXAMINATION - 2023 - ANSWER KEY**  
**XII STANDARD – COMMERCE – ENGLISH MEDIUM**

**DR.A.VENNILA**

**PRINCIPAL**

MYDEEN MATRIC. HR.SEC. SCHOOL  
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Time Allowed : 3 Hours

Maximum Marks : 90

**I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer** **20 x 1 = 20**

1	B	Taylor	11	C	Cheque
2	D	Defining Organizational Objectives	12	A	Human Resource
3	A	To Raise Funds	13	D	All of the above
4	A	Short Term Funds	14	B	Make in India
5	C	Bull	15	A	Selection
6	B	Mumbai	16	C	Three Directors
7	D	Apprenticeship Training	17	C	Eighteen
8	B	Social Class	18	A	(i) (ii) (iii) (iv)
9	C	15.04.1987	19	A	A and R are correct and R is the correct explanation for A
10	D	All of the above	20	A	Mental Revolution

**II. Answer any seven questions. Question No.30 is compulsory.** **7 x 2 = 14**

**21) List out the management tools.**

**Management Tools.**

- • Accounting,
- • Business law,
- • Psychology,
- • Statistics,
- • Econometrics,
- • Data processing, etc.

**22) Demat Account**

- \* A demat account holds all the shares that are purchased in electronic or dematerialized form.
- \* Basically, a demat account is to shares what a bank account is to money.

**23) Types of Speculators:**

- 1) Bull
- 2) Bear
- 3) Stage
- 4) Lame Duck

**24) Poaching:**

- Organisations instead of training and developing their own employees, hire employees of other competitive companies by paying them more both financial and non financial benefits.
- It is also called **raiding**.

**25) Social Marketing – Meaning:**

- ✎ Social marketing is a new marketing tool. It is the systematic application of marketing philosophy and techniques to achieve specific behavioural goals which ensure social good.
- ✎ **Example:-** Asking people not to smoke in public areas

**26) Regulated Market**

- ✎ These are types of markets which are organised, controlled and regulated by statutory measures.
- ✎ **Example:** Stock Exchanges of Mumbai, Chennai, Kolkata etc.

**27) Advantages of Globalisation**

- (a) Increase in foreign collaboration
- (b) Expansion of market
- (c) Technological development
- (d) Reduction in brain drain

**28) Examples of Pure Entrepreneurs:**

- ✎ Pure entrepreneurs are individuals who are pushed to enter into venture by psychological and economic motives.
- ✎ **Example:-** Dhirubai Ambani, Jamshadji Tata, T.V. Sundaram Iyengar, Seshadriji, Birla, Narayanamurthi, Aziz Premji and so on.

**29) Whole time Director:**

- ♣ A Director is one who devotes whole of his time of working hours to the company and has a significant personal interest in the company as the source of his income.

**30)** The word market is derived from **Latin** word 'Marcatus'.

**PART - III**

**III. Answer any seven questions. Question No.40 is compulsory.**

**7 x 3 = 21**

**31) Features of MBO:**

1. MBO tries to combine the long run goals of organisation with short run goals.
2. Management tries to relate the organisation goals with society goals.
3. MBO's emphasis is not only on goals but also on effective performance.
4. A high degree of motivation and satisfaction is available to employees through MBO.

**32) Note on Secondary Market**

- ♣ The place where formerly issued securities are traded is known as Secondary Market.(Resale Market)
- ♣ Secondary Market is the market for securities that are already issued.
- ♣ Stock Exchange is an important institution in the secondary market.
- ♣ It does not provide funding to companies

**33) Types of Treasury Bills:****91 days Treasury Bills:**

- Its issued at a fixed discount rate of 4 per cent as well as through auctions.

**182 days Treasury Bills:**

- The RBI holds 91 days and 182 Treasury Bills and they are issued on tap basis throughout the week.

**364 days Treasury Bills:**

- 364 days Treasury Bills do not carry any fixed rate.
- The discount rate on these bills are quoted in auction by the participants and accepted by the authorities.
- Such a rate is called cut off rate.

**34) Bull and Bear Speculators:****Bull Speculators:**

- \* A Bull or Tejiwala is an operator who expects a rise in prices of securities in the future.
- \* In anticipation of prices rise he makes purchases of shares at present and other securities with the intention to sell at higher prices in future.
- \* He is called Bull. He is an optimistic speculator

**Bear Speculators:**

- \* 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.
- \* He is called Bear. He is a pessimistic speculator.

**35) Stress Interview – Meaning:**

- ✎ This type of interview is conducted to test the temperament and emotional balance of the candidate
- ✎ Interviewer deliberately creates stressful situation by directing the candidate to do irrational and irritating activities.
- ✎ They assess the suitability of the candidate by observing the reaction and response of the candidate to the stressful situations.

**36) Niche marketing:**

1. Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population.
2. A niche market does not mean a small market, but it involves specific target audience with a specialized offering.
3. The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts.

**37) 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.
- In such situations consumers who are desperate to buy such goods have to pay high 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 will be freely available at a higher price in the black market.

**38) Technological Environment:**

- ❖ The development in the IT and telecommunications has created a global market.
- ❖ Technology is widely used in conducting market research for understanding the special needs of the customer.
- ❖ Digital and social media are used as a platform for advertising and promoting the products/services.

**39) Statutory Meeting:**

- 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.
- This is the first general meeting of the public company is called the Statutory Meeting.
- This meeting is conducted only once in the lifetime of the company.
- A private company 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.

**40) Urban Entrepreneur** is the name of an entrepreneur who starts his entrepreneurial activity in urban areas like State Capital, District Headquarters, Towns, Municipalities etc.,

**PART - IV****IV. Answer all questions.****7 x 5 = 35****41.a. Principles of Modern Management:**

- The Father of Modern Management is Mr. Henry Fayol, and according to him there are 14 major principles of management.

**i. Division of Work:**

- ♣ According to this principle the whole work is divided into small tasks.
- ♣ It leads to specialization which increases the efficiency of labour.

**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 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.

**[OR]****41.b. Difference between Debentures and Shares**

BASIS FOR COMPARISON	SHARES	DEBENTURES
Meaning	The shares are the owned funds of the company.	The debentures are the borrowed funds of the company.
Holder	The holder of shares is known as shareholder.	The holder of debentures is known as debenture holder.
Status of Holders	Owners	Creditors
Form of Return	Shareholders get the dividend.	Debenture holders get the interest.
Payment of return	Dividend can be paid to shareholders only out of profits.	Interest can be paid to debenture holders even if there is no profit.
Security for payment	No	Yes

**42.a. Problems faced by Women Entrepreneurs****1. 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.
- Because of the limited funds, women entrepreneurs are not able to effectively and efficiently run and expand their business.

**2. 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.

**3. Lack of Education**

- 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, etc.,
- This reduces the efficiency of operating the business successfully.

**4. Stiff Competition**

- Women entrepreneurs have to face serious competition for their goods from organised sector and from their male counterparts.
- Since they are not able to spend freely due to financial restrictions, they are not able to compete effectively and efficiently in the market.

**5. 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 or due to their pre occupation with household responsibilities.

**[OR]****42.b. Types of Financial Markets:**

Financial Markets can be classified in different ways. They are as follows:

**a. On the Basis of Type of Financial Claim**

- (i) Debt Market is the financial market for trading in Debt Instrument (i.e. Government Bonds or Securities, Corporate Debentures or Bonds)
- (ii) Equity Market is the financial market for trading in Equity Shares of Companies.

**b. On the Basis of Maturity of Financial Claim**

- (i) Money Market is the market for short term financial claim (usually one year or less) E.g. Treasury Bills, Commercial Paper, Certificates of Deposit
- (ii) Capital Market is the market for long term financial claim more than a year E.g. Shares, Debentures

**c. On the Basis of Time of Issue of Financial Claim**

- (i) Primary Market is a term used to include all the institutions that are involved in the sale of securities for the first time by the issuers (companies). Here the money from investors goes directly to the issuers.
- (ii) Secondary Market is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market.

**d. On the Basis of Timing of Delivery of Financial Claim**

- (i) Cash/Spot Market is a market where the delivery of the financial instrument and payment of cash occurs immediately. i.e. settlement is completed immediately.
- (ii) Forward or Futures Market is a market where the delivery of asset and payment of cash takes place at a pre-determined time frame in future.

**e. On the Basis of the Organizational Structure of the Financial Market**

- (i) Exchange Traded Market is a centralized organization (stock exchange) with standardized procedures.
- (ii) Over-the-Counter Market is a decentralized market (outside the stock exchange) with customized procedures.

**43.a. Functions of SEBI: (any 5)**

- 1) Safeguarding the interests of investors by means of adequate education and guidance.
- 2) Regulating and controlling the business on stock markets.
- 3) Barring insider trading in securities.
- 4) Prohibiting deceptive and unfair methods used by financial intermediaries operating in securities markets.



- 5) Registering and controlling the functioning of stock brokers, sub-brokers, share transfer agents, bankers
- 6) SEBI regulates mergers and acquisitions as a way to protect the interest of investors.
- 7) Promoting self-regulatory organization of intermediaries.
- 8) It has extensive legal powers.
- 9) Carrying out steps in order to develop the capital markets by having an accommodating approach.
- 10) Provide appropriate training to financial intermediaries.

[OR]

#### **43.b. Methods of Training:**

##### **(I) On the Job Training:**

- On the job training refers to the training which is given to the employee at the work place by his immediate supervisor.

##### **i) Coaching Method:**

- The superior teaches or guides the new employee about the knowledge and skills relevant to a given job.
- The superior should point out mistakes committed by the new worker and also advise the remedial measures, to trainees.

##### **ii) Mentoring method:**

- Mentoring is the process of sharing knowledge and experience of an employee.
- Mentoring is always done by senior person; it is also one-to-one interaction, like coaching.
- The focus in this training is on the development of attitude of trainees.

##### **iii) Job Rotation Method:**

- Under this method a trainee is periodically shifted from one work to another work and from one department / division to another department / division for a particular period of time.
- The main aim of job rotation is to expose the employee to various inter related jobs

##### **(II) Off the Job Training**

- Off the job training is the training method where in the workers/employees learn the job role away from the actual work floor.

##### **i) Lecture Method:**

- Under this method trainees are educated about concepts, theories, principles and application of knowledge in any particular area.
- Trainer may be generally drawn from Colleges, Universities, Consultancies, etc.,
- They impart training effectively by their oratorical skill, knowledge and practical knowledge using audio visual tools.

##### **ii) Group Discussion Method:**

- Participants are divided into various groups; they were provided a particular issue for deliberation.
- Each group has to prepare solution after deep discussion with their group members.
- The group leader has to present the solution to the audience, which will be discussed or deliberated by other groups.

##### **iii) Case Study Method**

- Trainees are described a situations which stimulate their interest to find solution.

- They have to use their theoretical knowledge and practical knowledge to find solution to the problem presented.
- There is no single solution to the problem, It may vary depending upon view points of trainees.

#### **44.a. Features of Cheque (any 5)**

##### **(i) 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.

##### **(ii) 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.

##### **(iii) 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.

##### **(iv) 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.

##### **(v) Signed by the Drawer:**

- The cheque is to be signed by the drawer.
- Further, it should tally with specimen signature furnished to the bank at the time of opening the account.

[OR]

#### **44.b. Components of Marketing mix**

##### **i. Product**

- Product is the main element of marketing.
- Without a product, there can be no marketing.
- "A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or a need" - **Philip Kotler.**

##### **ii. Price**

- Price is the value of a product expressed in monetary terms.
- It is the amount charged for the product.
- Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service" - **Philip Kotler**

##### **iii. Place (Physical Distribution)**

- The fourth element of product mix, namely place or physical distribution facilitates the movement of products from the place of manufacture to the place of consumption at the right time.

**iv. Promotion**

- An excellent product with competitive price cannot achieve a desired success and acceptance in market, unless and until its special features and benefits are conveyed effectively to the potential consumers

**45.a. Consumers are Exploited:****1. Selling at Higher Price**

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

**2. 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.

**3. Duplicate or Spurious goods**

- ❖ Duplicates are available in plenty in the market for every original and genuine parts or componentslike automobile spare parts, blades, pens, watches, radios, medicines, jewellery, clothes and even for currency notes.

**4. 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.
- ❖ Some seller give bills which contain a stipulation that goods sold cannot be taken back.

**5. Warranty and Services**

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

**[OR]****45.b. Micro environmental factors of business.**

This refers to those factors which are in the immediate environment of a business affecting its performance. These include the following:

**i) Suppliers:**

- ✎ In any organisation the suppliers of raw materials and other inputs play a very vital role.
- ✎ Organisations have realised 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 organisations 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

**y) Public:**

- ✘ This refers to any group like media group, citizen action group and local public which has an impact on the business.
- ✘ The public group has the ability to make or mar a business. Many companies had to face closure due to actions by local public.

**46.a.****Difference between the Money Market and Capital Market.**

Basis	Money Market	Capital Market
Risk	Low credit and market risk.	High credit and market risk
Liquidity	High liquidity in Money Market	Low liquidity in Capital Market
Price Discovery	No price discovery mechanism and exists in this Market.	Price discovery mechanism exists in Capital Market
Regulator	Central Bank is the Regulator of Money Market.	Besides Central Bank, Special regulatory authority like SEBI, etc.,
Underwriting	Underwriting is not a primary function.	It is a primary function.

**[OR]****46. b. Different types of Company Meetings:****1. Shareholders Meetings:**

- The meeting held with the shareholders of the company is called shareholders meeting.

**a) Statutory Meeting**

- 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.
- This is the first general meeting of the public company is called the Statutory Meeting.
- This meeting is conducted only once in the lifetime of the company.
- The company gives the circular to shareholders before 21 days of the meeting.

**b) Annual General Meeting [AGM]**

- Every year a meeting is held to transact the ordinary business of the company. Such meeting is called Annual General Meeting of the company (AGM).
- Company is bound to invite the first general meeting within eighteen months from the date of its registration. Then the general meeting will be held once in every year.

**c) 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.



## I. Meeting of the Board of Directors

### a) Board Meetings

- Meetings of directors are called Board Meetings. Meetings of the directors provide a platform to discuss the business and take formal decisions.
- First meeting of directors should be organized within 30 (Thirty) days from the date of incorporation of the company.

### b) Committee Meetings

- Every listed company and every other public company having paid up share capital of Rs.10 crore is required to have audit committee. This committee should meet at least four times in a year.
- In case of other companies, the board of directors shall nominate a director to play the role of audit committee which is functioning as a vigil mechanism.

## II. Special Meeting

### a) Class Meeting (Meetings of Particular Share or Debenture Holders)

- Meetings, which are held by a particular class of share or debenture holders e.g. preference shareholders or debenture holders is known as class meeting.

### b) Meetings of the Creditors

- Strictly speaking, these are not meetings of a company. Unlike the meetings of a company, there arise situation in which a company may wish to arrive at a compromise with the creditors to avoid any crisis or to introduce any new proposals.

## 47.a Qualification of Directors

- ✓ As regards to the qualification of directors, there is no direct provision in the Companies Act, 2013.
- ✓ In general, a director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- ✓ According to the different provisions relating to the directors; the following qualifications may be mentioned:
  1. A director must be a person of sound mind.
  2. A director must hold share qualification, if the article of association provides such.
  3. A director must be an individual.
  4. A director should be a solvent person.
  5. A director should not be convicted by the Court for any offence, etc.

**[OR]**

## 47.b. Responsibilities of Consumers:

- 1) The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- 2) The consumer has got a responsibility to apply to the seller for the delivery of the goods. He/she has to take delivery of the goods in time.
- 3) The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
- 4) The consumer must get cash receipt as a proof of goods purchased from the seller.
- 5) The consumer should never compromise on the quality of goods.

\*\*\*\*\* All the best Children \*\*\*\*\*