

**Standard 12****COMMERCE**

Time: 3.00 Hrs.

Marks: 90

PART - I**Answer all the questions:****20×1=20**

- 1) Management is an _____.
a) Art
b) Science
c) Art and Science
d) Art or Science
- 2) _____ is included in every managerial function.
a) Co-ordinating
b) Controlling
c) Staffing
d) Organising
- 3) MBO is popularised in the USA by _____.
a) Prof. Reddin
b) George Odiorne
c) Henry Fayol
d) F.W. Taylor
- 4) How many times a security can be sold in a secondary market?
a) Only one time
b) Two times
c) Three times
d) Multiple times
- 5) When NSEI was established _____.
a) 1990
b) 1992
c) 1998
d) 1997
- 6) A major player in the money markets is _____.
a) Commercial bank
b) RBI
c) SBI
d) Central bank
- 7) There are _____ stock exchange in the country.
a) 21
b) 24
c) 20
d) 25
- 8) The Headquarters of SEBI is _____.
a) Calcutta
b) Bombay
c) Chennai
d) Delhi
- 9) Human resource management determines the _____ relationship.
a) Internal - External
b) Employer - Employee
c) Owner - Servent
d) Principle - Agent
- 10) Transfer is an _____ source of recruitment.
a) Internal
b) External
c) Outsourcing
d) None of the above
- 11) Job First Man next is one of the principles of _____.
a) Test
b) Interview
c) Training
d) Placement
- 12) The SPOT market is classified on the basis of _____.
a) Commodity
b) Transaction
c) Regulation
d) Time
- 13) Which one of the example of Intangible product?
a) Educations
b) Mobiles
c) Garments
d) Vehicles
- 14) Who is the Father of Consumer movement?
a) Mahatma Gandhi
b) Mr. Jhon F. Kennedy
c) Ralph Nader
d) Jawaharlal Nehru
- 15) The International Organisation of Consumer Union (IOCU) was first established is _____.
a) 1960
b) 1965
c) 1967
d) 1987
- 16) New Economic Policy was introduced in the year
a) 1980
b) 1991
c) 2013
d) 2015
- 17) _____ cannot be a bearer Instrument.
a) Cheque
b) Promissory note
c) Bill of exchange
d) None of the above
- 18) How does a person who envisages the idea to form a company called _____.
a) Director
b) Company secretary
c) Registrar
d) Promoter
- 19) A private company shall have a minimum of _____.
a) Seven directors
b) Five directors
c) Three directors
d) Two directors

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2

- 20) Which meeting will be held only once in the life time of the company?
 a) Statutory
 b) Annual General
 c) Extra ordinary
 d) Class General

PART - II**Answer any SEVEN questions. Question No. 30 is compulsory:****7×2=14**

- 21) What do you mean by Span of management?
 22) List the subsidiary function of management.
 23) What is known as KRA?
 24) Write a note on Financial market.
 25) Write a note on OTCEI.
 26) What is Government securities market?
 27) What are the various ID proofs?
 28) What is mean by Regulated markets?
 29) Write short note on Proxy.
 30) Name the companies required Coappoint KMP.

PART - III**Answer any SEVEN questions. Question No. 40 is compulsory.****7×3=21**

- 31) Write a short note on Consumer Protection Act 1986.
 32) What are the members of the National Commission?
 33) What do you know about Technological Environment?
 34) What do you mean by Liberalisation?
 35) What is start up India?
 36) What do you understand by issue of securities of premium?
 37) Who are the Key managerial personal?
 38) What do you mean by statutory meeting?
 39) What do you mean by achievement test?
 40) What do you understand about Right to protection of health and safety?

PART - IV**Answer all the questions:****7×5=35**

- 41) a) Explain the various function of management. (OR)
 b) Briefly state different types of company meeting.
 42) a) State the qualification of Directors. (OR)
 b) Write the differernce between Debenture and Shares.
 43) a) Explain any five Government Entrepreneurial schemes. (OR)
 b) What are the characteristic of an Entrepreneur?
 44) a) What are the Requisites of for a valid endorsement? (OR)
 b) Explain the Impact of LPG on Indian Economy.
 45) a) Explain the duties of consumer. (OR)
 b) What are the objectives of Consumer Portection Act 1986?
 46) a) Narrate the elements of marketing mix. (OR)
 b) Differentiate Recruitment and Selection.
 47) a) Explain the Internal source of recruitment. (OR)
 b) What are the functions of SEBI?



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FIRST REVISION EXAMINATION ANSWER KEY-2024

GRADE: XII

COMMERCE

MARKS: 90

1.	c)Art and science	11.	d)Placement
2.	a)Co-ordinating	12.	b)Transaction
3.	b)George Odiorne	13.	a)Educations
4.	d)Multiple times	14.	c)Ralph Nadar
5.	b)1992	15.	a)1960
6.	a)Commercial bank	16.	b)1991
7.	b)24	17.	a)Promissory note
8.	b)Bombay	18.	Promoter
9.	b)Employer-Employee	19.	Two directors
10.	a)Internal	20.	a)Statutory

PART-B

Answer Any Seven Questions. Question No 30 is Compulsory

7x2=14

21. What do you mean by span of Management?

- The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.
- Simply, the manager having the group of subordinates who report him directly is called as the span of management.

22. List the subsidiary function of management.

- Innovation:
- Representation:
- Decision-making:
- Communication

23. What is known as KRA?

- ✓ Key result areas are fixed on the basis of organisational objectives premises.
- ✓ Key Result Areas (KRA) are arranged on a priority basis.
- ✓ KRA indicates the strength of an organisation.
- ✓ The examples of KRA are profitability, market standing, innovation etc.

24. Write a note on financial market.

- ✓ A market wherein financial instruments such as financial claims, assets and securities are traded is known as a 'financial market'.
- ✓ Financial market transactions may take place either at a specific place or location, e.g. stock exchange, or through other mechanisms such as telephone, telex, or other electronic media.

25. Write a note on OTCEI.

- ✓ The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.
- ✓ It addresses some specific problems of both investors and medium-size companies.
- ✓ Some of the greatest strengths of OTCEI are transparency of transactions, quick deals, faster settlements and better liquidity.

26. What is Government securities market?

A market whereby the Government or gilt-edged securities can be bought and sold is called 'Government Securities Market'.

27. What are the Various ID proofs?

PAN card, voter's ID, passport, driver's license, bank attestation, IT returns, electricity bill, telephone bill, ID cards with applicant's photo issued by the central or state government and its departments, statutory or regulatory authorities, etc..

28. What is meant by regulated markets?

These are types of markets which are organised, controlled and regulated by statutory measures.

Example: Stock Exchanges of Mumbai, Chennai, Kolkata etc.

29. Write short notes on "proxy".(268)

Proxy means a person being the representative of a shareholder at the meeting of the company who may be described as his agent to carry out which the shareholder has himself decided upon. Proxy can be present at the meeting and he cannot vote.

30. Name the companies required coappoint KMP(246)

- Every Listed Company
- Every Public Company
- Having paid up share capital of Rs 10 Crores or More

PART-C

Answer Any Seven Questions. Question No 40 Is Compulsory

7X3=21

31) Write a short note on Consumer protection Act 1986.

The Act is referred in short as 'COPRA'.

- The Consumer Protection Act 1986 seeks to protect and promote the interests of consumers.
- The act provides safeguards to consumers against defective goods, deficient services, unfair trade practices, and other forms of their exploitation.

32) What are the members of the National commission?

1. The National Commission should have five members.
2. One should be from judiciary.
3. Four other members of ability, knowledge and experience from any other fields.

4. It should include a woman.

33)What do you know about 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.

34)What do you mean by Liberalisation?

Liberalization refers to laws or rules being liberalized, or relaxed, by a government.

- Liberalization means relaxation of various government restrictions in the areas of social and economic policies in order to make economies free to enter in the market and establish their venture in the country.
- Its the result of New industrial policy which abolished the “Licence Raj”

35)What is start up India?

Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.

- ❖ Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs.
- ❖ A ‘Fund of Funds’ has been created to help startups gain access to funding.

36)What do you understand by issue of securities of 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 to be transferred to an account called the ‘Securities Premium Account’.
- ❖ This account is capital in nature and can only be utilized for the purposes specified by the Act

37)Who are the key managerial personal?

The definition of the term Key Managerial Personnel is contained in Section 2(51) of the Companies Act, 2013. This Section states:

1. The Chief Executive Officer
2. The Managing Director or the Manager;
3. The Company Secretary;
4. The Whole-time Director;
5. The Chief Financial Officer; and
6. such other officer as may be prescribed;

38)What do you mean by 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.

39)What do you mean by achievement test?

This test measures a candidate's capacity to achieve in a particular field.

- ❖ This test measures a candidate's level of skill in certain areas, accomplishment and knowledge in a particular subject.
- ❖ The regular examination conducted in educational institution represents achievement test. It is also called proficiency test.

Example : A driver may be asked to drive a vehicle to test his driving efficiency

40)What do you understand about Right to protection of health and safety?

There may be few products that are more likely to cause physical danger to consumers' health, lives and property.

- ❖ They may contain potentially harmful substances which are dangerous from the consumer welfare point of view. The health hazards which are likely to arise have to be eradicated or reduced altogether.
- ❖ The consumers are entitled to protection of their health and safety from the goods and services they buy. They should not be supplied goods or services which are hazardous to their health and safety.

PART-D

Answer all questions choosing either (a) or (b)

7x5=35

41.a)Explain the various function of Management.

Main Functions:

I. Planning:

- Planning is the primary function of management. Nothing can be performed without planning.
- Planning refers to deciding in advance. Planning should take place before doing.

II. Organising:

Organising is the process of establishing harmonious relationship among the members of an organisation and the creation of network of relationship among them.

III. Staffing:

staffing refers to placement of right persons in the right jobs. The success of any enterprise depends upon the successful performance of staffing function

IV. Directing:

Directing denotes motivating, leading, guiding and communicating with subordinates on an ongoing basis in order to accomplish pre-set goals.

V. Motivating:

- It is the process of stimulating people to actions to accomplish the goal.
- Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.

VI. Controlling:

It is the control function which facilitates synchronization of actual performance with predetermined standards.

VII. Co ordination:

- Co-ordination is the synchronization of the actions of all individuals, working in the enterprise in different capacities.

Subsidiary Functions:

I. Innovation:

- Innovation refers to the preparation of personnel and organisation to face the changes made in the business world.

II. Representation:

- A manager has to act as representative of a company. It is the duty of every manager to have good relation with others.

III. Decision-making:

- Every employee of an organisation has to take a number of decisions every day. Decision making helps in the smooth functioning of an organization.

41)b) Briefly state different types of company meeting.

I. 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.

✓ Every Annual General meeting shall be held during business hours, on a day which is not a public holiday, at the Registered Office of the company

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.

II. 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 ₹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.

III. 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 compromises with the creditors to avoid any crisis or to introduce any new proposals

42)a) State the 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.

42)b) write the difference between Debenture and shares.

SL.NO	BASIS FOR COMPARISON	SHARES	DEBENTURES
1	Meaning	The shares are the owned funds of the company.	The debentures are the borrowed funds of the company.
2	Holder	The holder of shares is known as shareholder.	The holder of debentures is known as debenture holder.
3	Status of Holders	Owners	Creditors
4	Form of Return	Shareholders get the dividend.	Debenture holders get the interest.
5	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.
6	Security for payment	No	Yes

43)a) Explain any five Government Entrepreneur?**1. Digital India:**

- ❖ The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.
- ❖ The initiative aims at transforming India into a digitally-empowered society and knowledge economy with universal access to goods and services.

2.Startup India:

- ❖ Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.

Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs.

- ❖ A 'Fund of Funds' has been created to help startups gain access to funding.

3.Dairy Entrepreneurship development scheme.

- ❖ Dairy Entrepreneurship Development Scheme aims at helping entrepreneurs in the field of Agriculture, pets and animals, to set up small dairy farms
- ❖ Incentives are provided to cover the cost of the required equipment or establishment of the facility.

4. Jan Dhan-Aadhaar - Mobile (JAM):

- ❖ JAM, for the first time, is a technological intervention that enables direct transfer of subsidies to intended beneficiaries.
- ❖ Therefore, eliminates all intermediaries and leakages in the system, which has a potential impact on the lives of millions of Indian citizens.

5.Single Point Registration Scheme (SPRS)

- ❖ A great scheme for Micro and Small Enterprises, which provides an exemption from payment of Earnest Money Deposit (EMD).
- ❖ Under this scheme, the tenders are issued free of cost.

43)b). Explain any five characteristics of an entrepreneur.(201)**1. Spirit of Enterprise**

- Entrepreneur should be bold enough to encounter risk arising from the venture undertaken.
- Entrepreneur should not get discouraged by setbacks or frustrations emerging during the course of entrepreneurial journey.

2. Flexibility

- Entrepreneur should not single-mindedly stick to decisions in a rigid fashion.
- Entrepreneur should change the decisions made already in the light of ever-changing business environment.

3. Innovation

Entrepreneur should contribute something new or something unique to meet the changing requirements of customers namely new product, new method of production or distribution, etc

4. Hard work

- Entrepreneur should put in tireless efforts and constant endeavours to accomplish the goals of the venture successfully.
- They have to courageously face uncertainties, risks and constraints.

5. Analytical Ability

- Entrepreneurs should not make decisions on the basis of own prejudice or personal likes and dislikes.
- Entrepreneur should be able to objectively analyse the situation and act accordingly.

6. Foresight

- Entrepreneur should have a foresight to visualise future business environment.

44)a) What are the requisities of for a valid endorsement?

1. Endorsement is to be made on the face of the instrument or on its back. It is usually made on the back of a negotiable instrument.
2. When there is no space for making further endorsements a piece of paper can be attached to the negotiable instrument for this purpose. This piece of paper is called 'Allonge'.
3. If the endorsee's name is wrongly spelt, the endorsee should sign the same as spelt in the instrument and write the correct spelling within brackets after his endorsement.
4. Endorsement for only a part of the amount of the instrument is invalid. It can be made only for the entire amount.
5. Where, however, the instrument has been partly paid, a note to that effect can be given on the instrument and endorsement made for the balance amount.
6. Endorsement is complete only when delivery of the instrument is made. On the death of the endorsee who has endorsed an instrument but has not delivered it to the endorsee, the endorsement becomes invalid.
7. It is presumed that the endorsements appearing on a negotiable instrument were made in the order in which they appear thereon.
8. Signing in block letters does not constitute regular endorsement.
9. The prefixes or suffixes added to the names of the payees or endorsees must be omitted in the endorsement.

10. If the payee is an illiterate person, he can endorse it by affixing his thumb impression on the instrument. But it must be duly attested by somebody who should give his full address thereon.

44b) Explain the Impact of LPG on Indian Economy.

Impact of Liberalization

(a) The impact of Liberalisation on Indian Economy was well appreciable with the phenomenal growth by contributing \$1.3 Trillion to the world GDP. So also the Indian Economy because the Seventh Largest among the world leading economies.

(b) Liberalization has opened up new business opportunities abroad and increased foreign direct investment.

Impact of Privatization

(a) Privatization has a positive impact on the financial growth by decreasing the deficits and debts.

(b) Increase in the efficiency of government undertakings.

(c) Provide better goods and services to the consumers.

Impacts on Globalisation.

(a) Corporations got a competitive advantage from lower operating costs, and access to new raw materials and additional markets.

(b) Multinational corporations (MNCs) can manufacture, buy and sell goods worldwide.

(c) Globalisation has led to a boom in consumer products market

45)a) Explain the duties of Consumer.

Buying Quality Products at Reasonable Price:

- ❖ It is the responsibility of a consumer to purchase a product after gaining a thorough knowledge of its price, quality and other terms and conditions.

- ❖ The consumer should enquire about the price from certain shops and if possible from government stores to get an idea of its price.

Ensure the Weights and Measurement before Making Purchases:

- ❖ The sellers often cheat consumer by using unfair weights and measures.

- ❖ The consumer should ensure that he/she is getting the product of exact weight and measure. Consumer should check the weights and balance of the product.

Reading the Label Carefully:

- ❖ It is the duty of the consumer to thoroughly read the label of the product. It should have correct, complete and true information about the product.

Beware of False and Attractive Advertisements:

- ❖ Often the products are not as attractive as shown in the advertisement by the sellers. Hence, it is the prime duty of consumer not to get misled by such fraudulent advertisements.

Ensuring the Receipt of Cash Bill:

- ❖ It is a legitimate duty of consumers to collect cash receipt and warranty card supplied along with bills. This will help them in seeking redressal for their grievances.

Buying from Reputed Shops:

- ❖ It is advisable for the consumer to make purchase from the reputed shops or government shops like super bazaar, cooperative stores, and the like.

45)b) What are the objectives of Consumer protection Act 1986?

Protection of consumers against marketing of goods which are hazardous and dangerous to life and property of consumers.

- ✓ Providing correct and complete information about quality, quantity, purity, price and standard of goods purchased by consumers.
- ✓ Protecting consumers from unfair trade practices of traders.
- ✓ Empowering consumers to seek redressal against exploitation
- ✓ Educating the consumer of their rights and duties
- ✓ Ensuring better standard of living for consumers by providing them with quality products at fair price.
- ✓ Putting in place right mechanism like councils and other authorities to enable the consumers to enforce their rights.

46)a) Narrate the elements 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

46)b) Differentiate Recruitment and selection.

SL.NO	Basis of Comparison	Recruitment	Selection
1	Meaning	Recruitment is an activity of searching candidates and encouraging them to apply for it	Selection refers to the process of selecting the suitable candidates and offering them job.
2	Approach	Approach under recruitment is positive one.	Approach under selection is negative one
3	Objective	Inviting large number of candidates to apply for the vacant post	Picking up the most suitable candidates and eliminating the rest
4	Sequence	First	Second
5	Method	It is an economical method	It is an expensive method
6	Process	Recruitment process is very simple	Selection process is very complex and complicated

47)a) Explain the Internal source of Recruitment .

1. Transfer-transfer of employee from one department with surplus staff to that of another with deficit staff.
2. Upgrading-Performance appraisal helps in the process of moving employees from a lower position to a higher position
3. Promotion-Based on seniority and merits of the employees they are given opportunity to move up

4. Demotion-Movement of employee from a higher position to a lower position because of poor performance
5. Recommendation by existing Employees-A family member, relative or friend of an existing employee can be recruited and placed
6. Job rotation-One single employee managing to learn how to perform in more than one job on rotation.

47)b)What are the functions of SEBI?

- a) Safeguarding the interests of investors by means of adequate education and guidance.
- b) Regulating and controlling the business on stock markets.
- c) Barring insider trading in securities.
- d) Prohibiting deceptive and unfair methods used by financial intermediaries operating in securities markets.
- e) Registering and controlling the functioning of stock brokers, sub-brokers, share transfer agents, bankers
- f) SEBI regulates mergers and acquisitions as a way to protect the interest of investors.
- g) Registering and controlling the functioning of collective investment schemes such as mutual funds.
- h) Promoting self-regulatory organization of intermediaries. It has extensive legal powers.

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