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HALFLY EXAMINATION ANSWER KEY-2024-25**

GRADE: XII

COMMERCE

MARKS: 90

1.	C)Art and science	11.	a)Test (or) Placement
2.	a)motivation	12.	a)Training
3.	b)George odiorne	13.	c)Security market
4.	d)Multiplentimes	14.	a)Customer
5.	a)Short term funds	15.	b)Transaction brokers
6	b)Commercial paper	16.	a)1960
7.	b)Bear	17.	c)1930
8.	a)1988	18.	a)Bonus share
9.	b)Intangible	19.	d)Entrepreneur
10	b)Internet	20.	d) All of the above

## PART-B

II)ANSWER ANY SEVEN OF THE FOLLOWING QUESTIONS:

7X2=14

Q.NO 30 IS COMPULSORY

21) List the subsidiary functions of Management.

\*Innovation \* Decision Making \* Representation \* Communication

22) What is known as KRA?

- It is fixed on the basis of organizational objectives Premises
- KRA arranged on a priority basis
- It indicates strength of a organization
- Ex. Profitability Market standing. Innovation etc

23) How is price decided in a secondary market?

The Prices are decided by demand and supply force.

24) What are the types of Speculator?

\*Bull \* Stag \* Bear \* Lame duck

25) What is promotion?

Based on seniority and merits of the employees they are given opportunity to move up in the organizational Hierarchy.

26) What is meant by spot market?

In such markets, goods are exchanged and the physical delivery of goods takes place immediately.

27) Give 2 examples of adulteration.

- Mixing of coconut oil with Palmolein

- Chilli powder is adulterated with brick powder

28) What is privatization?

It is the process of transferring ownership of business enterprises from the govt to the private sector.

29) What is a contingent goods?

- Contingent goods are the goods the acquisition of which by the seller depends upon a contingency.
- Contingent goods are a part of future goods.

30) Mention the other name for corporate entrepreneur

Corporate entrepreneur is called "Promoter"

### PART-C

III) ANSWER ANY SEVEN OF THE FOLLOWING QUESTIONS:

7X3=21

Q.NO 40 IS COMPULSORY

31) Give a note on "Digital India"

- ❖ It has been launched to modernize the Indian Economy.
- ❖ It aims at transforming India into a digitally empowered society and knowledge economy with universal access to goods and services.

32) Discuss in detail about existing goods

- Existing goods are those owned or Possessed by the seller at the time of contract of sale.
- Goods Possessed even refer to sale by agents or by pledgers.

Existing goods may be either

- ❖ Specific goods
- ❖ Ascertained goods
- ❖ Generic goods

33) Write a short note on New Economic policy.

- Liberalization - It refers to Laws or rules being liberalized or relaxed by a govt.
- Privatization - It means permitting the private sector to set up industries which were previously reserved for the public sector.
- Globalization - It means the interaction and integration of the domestic economy with the rest of the world.

34) Who are the members of the state commission?

- A person has been a high court judge as its president.
- Two other member relating in the field of Economics, Law, Commerce Industry, Public affairs
- One shall be women among it.

35) List out the management tools.

Tools of management have been developed such as, accounting, business law, psychology, statistics, econometrics, data processing, etc.

36) Write a note on Secondary market.

**Secondary Market:**

- (i) Secondary Market is the market for securities that are already issued.
- (ii) Stock exchange is an important institution in the secondary market.

37) When are alternative directors appointed?

Alternative directors are appointed by board of directors, who may be absent from India. For a period

which is not less than 3 months.

- ❖ Appointment authorized by passing a resolution in the meeting.
- ❖ He is not a representative or agent.

38) What is stress interview?

This type of interview is conducted to test the temperament and emotional balance of the candidate interviewed.

39) Discuss the two different types of crossing.

**GENERAL CROSSING – Sec 123**

Where a cheque bears across the face in addition to the words “&co” and “Not negotiable” is called

general crossing.

GENERAL CROSSING – Sec 123

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SPECIAL CROSSING – Sec 124

Where a cheque across the face an addition of the bank name, with or without the words called “Special crossing”



**SPECIAL CROSSING – Sec 124**

Where a cheque across the face an addition of the bank name, with or without the words called “Special crossing.”

40) Write a short note on Proxy

- ❖ A Person being the representative of a shareholder at the meeting of the company.
- ❖ Proxy can attend the meeting and he cannot vote

## PART-D

### IV. ANSWER ALL THE QUESTIONS

**7X5=35**

**41)a)** Explain the various functions of management.(Any 5)

**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

**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.

**41)b)** What are the functions of SEBI?

- ✓ Safeguarding the interest of investors by means of adequate education and guidance.
- ✓ Regulation and controlling the business on stock markets.
- ✓ Barring insider trading in securities.
- ✓ Promoting self- regulatory organization of intermediaries.
- ✓ Carrying out steps on order to develop the capital market.
- ✓ Prohibiting deceptive and unfair methods used by intermediaries.
- ✓ SEBI issues guidelines and instructions to business concerning capital issues.
- ✓ SEBI regulates mergers and acquisitions to protect the interest of investors.
- ✓ Registering and controlling the functioning of collective investment scheme such as mutual funds.
- ✓ Performing functions that may be assigned to it by the central govt. Of India.

**42)** Distinguish between New Issue market and Secondary market.

Basis of comparison	New Issue market	Secondary market
- Meaning	The market place for New shares is called "Primary Market"	The place where formerly issued securities are traded is known "Secondary market"
- Buying	Direct	Indirect
- Price	Fixed Price	Fluctuates
- Buying and selling between	Company and Investors	Investors
- Intermediary	Underwriters	Brokers
- Gained person	Company	Investors

**42)b)** Narrate the Elements of marketing Mix

**a. PRODUCT**

- ✓ It is the main element of marketing.
- ✓ Without a product, there can be no marketing

- ✓ It can be offered to a market for attention, acquisition, use or consumption that satisfy a want or a need.

**b. PRICE**

- ❖ It is the value of a product expressed in monetary terms
- ❖ It is the amount charged for the product
- ❖ Internal factors affecting price of a product are cost, objectives, marketing mix and organizational considerations.
- ❖ External factors are customer's suppliers, legal factors, market and demand.

**c. PLACE**

- ❖ Movement of products from the place of manufacture to the place of consumption at the right time.

**d. PROMOTION**

- An Excellent product with competitive price cannot achieve a desired success and acceptance in market, unless its special features and benefits.

**43)a) What are the 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 bear any loss, which may arise to the seller when the consumer delays taking delivery of the goods as per the terms of contract.
4. The consumer is bound to pay any interest and special damages caused to the seller in case if there is delay in the payment.
5. The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
6. The consumer has the responsibility to express unambiguously to the seller of his requirements and expectations from the product

**43)b) Distinguish a cheque and bill Exchange**

Basis	Bill of Exchange	Cheque
• Drawn	It can be drawn on any banker	It can be drawn only on particular bank
• Grace period	3 days of grace are Allowed	No days of grace are allowed
• Discounting	A bill cannot be crossed	A cheque can be crossed either generally or specially.
• Crossing	A bill cannot be crossed	A cheque can be crossed either generally or specially
• Notice	Notice of Dishonour Necessary	Notice is not necessary for dishonor.

**44)a) Differentiate Recruitment and Selection**

Basis	Recruitment	Selection
➤ Meaning	It is an activity of searching candidates and encouraging them to apply for it.	It is the process of selecting suitable candidates in a job.
➤ Approach	Positive approach	Negative approach
➤ Sequence	First	Second
➤ Method	Economical	Expensive
➤ Process	Very simple	Very complex and complicated

44b) Differentiate between the money market and capital market.

Features	Money market	Capital market
• Duration of funds	Short term for a period of not exceeding one year	Long term for a period of more than one year.
• Deals with Instruments	Deals with commercial bills. Treasury bill, commercial paper etc.	Deals with shared, debentures, Govt bonds etc.
• Role of major Institutions	The central bank and commercial banks are major players	Development banks and Insurance companies are major players.
• Place of Transaction	There is no formal places	Place at formal place. Ex. Stock Exchange.
• Risk	Low credit and Market Risk	High credit and High Risk
• Liquidity	High Liquidity	Low Liquidity

45a) What are the various kinds of debentures?

On the basis of convertibility

- ❖ Non convertible Debentures
- ❖ Partly convertible Debentures
- ❖ Fully convertible Debentures
- ❖ Optionally convertible Debentures

On the basis of security

- ✓ Secured Debentures
- ✓ Unsecured Debentures

On the basis of Redeem ability

- Redeemable debentures
- Irredeemable Debentures

On the basis of Registration

- ❖ Registered Debentures
- ❖ Bearer Debentures

45b) How 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 at times 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 monetary 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 components like 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.

46a) Explain the Principles of modern management.

**DIVISION OF WORK**

- The whole work is divided into small tasks.

- It leads to specialization which increases the efficiency of labour.

#### **AUTHORITY AND RESPONSIBILITY**

- ❖ Authority means the right of a superior to his sub – ordinates.
- ❖ Responsibility means obligation for performance.

#### **DISCIPLINE**

- It is obedience, proper conduct in relation to others, respect of authority.
- It is essential for the smooth functioning of all organizations.

#### **UNITY OF COMMAND**

- It states that each sub ordinate should receive orders and be accountable to one and only one superior.

#### **REMUNERATION**

- Workers must be paid sufficiently as this is a chief motivation of employees and therefore greatly influences productivity.

#### **THE DEGREE OF CENTRALISATION**

- The amount of power wielded with the central management depends on company size.

#### **46)b) What are the highlights of the LPG Policy?**

- The salient highlights of the Liberalisation, Privatisation and Globalisation Policy in India:
- Introduction of New Foreign Trade Agreements
- Foreign Investment (FDI and FII)
- MRTP Act, 1969 (Amended)
- Deregulation
- Opportunities for overseas trade
- Tax reforms
- Abolition of License

#### **47)a) What are the advantages of MBE?**

- It saves the time of managers because they deal only with exceptional matters. Routine problems are left to subordinates.
- It focuses managerial attention on major problems. As a result, there is better utilisation of managerial talents and energy
- It facilitates delegation of authority. Top management concentrates on strategic decisions and operational decisions are left to the lower levels.
- It is a technique of separating important information from unimportant one.
- MBE keeps management alert to opportunities and threats by identifying critical problems. It can avoid uninformed and impulsive action.
- Management by exception provides better yardsticks for judging results. It is helpful in objective performance appraisal.

#### **47)b) Briefly state different types of Company Meeting.**

##### **Types of Company Meetings.**

##### **1.Meetings of Shareholders**

- (a) Statutory Meeting (b) Annual General Meetings (AGM)
- (c) Extraordinary General Meetings (EGM)

##### **2.Meetings of the Directors:**

- a) Board meetings (b) Committees meetings

##### **3.Special Meetings**

##### **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.

##### **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.

##### **C.Extra-Ordinary General Meeting:**

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

**II.Meeting of the Directors:**

**Board Meetings:**

Meetings of the directors provide a platform to discuss the business and take formal decisions.

**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.