

12th
STD**PUBLIC EXAMINATION - MARCH 2025**

Reg. No.

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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. Financial Market facilitates business firms _____.

- (a) To make more sales (b) To raise funds
(c) To minimize fund requirement
(d) To recruit workers

2. 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

3. Registering and controlling the functioning of collective investment schemes is called as _____.

- (a) Rematerialisation (b) Mutual funds
(c) Dematerialization (d) Listing

4. The Chairman of the District Forum is _____.

- (a) High Court judge
(b) Supreme Court judge
(c) District judge
(d) None of the above

5. Management is an _____.

- (a) Art and Science (b) Art
(c) Art or Science (d) Science

6. A Pessimistic speculator is _____.

- (a) Bull (b) Stag
(c) Lame Duck (d) Bear

7. Advertisement is a _____ source of recruitment.

- (a) Agent (b) Internal
(c) Outsourcing (d) External

8. MBO is popularised in the USA by _____.

- (a) Henry Fayol (b) Prof. Reddin
(c) F.W.Taylor (d) George Odiorne

9. The Headquarters of SEBI is _____.

- (a) Chennai (b) Calcutta
(c) Delhi (d) Mumbai

10. Who is the Father of Consumer Movement?

- (a) Ralph Nader
(b) Mahatma Gandhi
(c) Jawaharlal Nehru
(d) Mr. John. F. Kennedy

11. National Skill Development Mission was unveiled in _____.

- (a) July 2015 (b) June 2000
(c) May 2010 (d) August 2008

12. Find the odd one out in the context of Trading Entrepreneur.

- (a) Buying (b) Selling
(c) Manufacturing (d) Commission

13. GST stands for _____.

- (a) Goods and Sales Tax
(b) Goods and Social Tax
(c) Goods and Salary Tax
(d) Goods and Service Tax

14. Off the job training is given _____.

- (a) Outside the factory (b) In the classroom
(c) In the playground (d) On off days

15. Which is gateway to internet?

- (a) Modem (b) Portal
(c) Webinar (d) CPU

16. Which is the primary function of Management?

- (a) Planning (b) Innovating
(c) Decision-making (d) Controlling

17. Planning is a _____ function.

- (a) Selective (b) Pervasive
(c) Both (a) and (b)
(d) None of the above

18. The market for buying and selling of Commercial Bills of Exchange is known as a _____.

- (a) Commercial Bill Market
(b) Commercial Paper Market
(c) Capital Market
(d) Treasury Bill Market

19. When the NSEI was established?

- (a) 1998 (b) 1990 (c) 1997 (d) 1992

[1]

20. Who is Supreme in the market?
 (a) Wholesaler (b) Customer
 (c) Retailer (d) Seller

PART - II

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

21. What is meant by Motivation?
 22. Write a short note on OTCEI.
 23. What is meant by Remisers?
 24. What is Human Resource Management?
 25. What is meant by Grading?
 26. Write short notes on 'adulteration'.
 27. Explain briefly about 'District forum'.
 28. What is Contingent Goods?
 29. What is Voting?
 30. If you are an Entrepreneur, how can you mobilise the capital?

PART - III

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

31. What are Taylor's 'Principles of Management'?
 32. What are the types of Commercial bills? (Any 3)
 33. Write any three limitations of Stock Exchange.
 34. Give any three cases in which an ordinary resolution need to be passed.
 35. Mention any three roles of a Marketer.
 36. Who are the members of National Commission?
 37. What do you mean by Liberalisation?
 38. Write any three presumptions to Negotiable Instruments.
 39. Who is a Drone Entrepreneur?
 40. List out any three significance of Placement.

PART - IV

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

41. (a) Explain the principles of Modern Management. (Any five) (OR)
 (b) What are the steps involved in filing a complaint in Consumer court? (Any five)
 42. (a) Explain the advantages and disadvantages of liberalisation. (Any five) (OR)
 (b) Explain the characteristics of a money market. (Any five)
 43. (a) Explain the characteristics of Human Resource. (Any five) (OR)
 (b) Who are the Key Managerial Personnel (KMP) of a company?
 44. (a) Write about the evolution of Marketing. (Any five) (OR)

- (b) What are the requisites for a valid endorsement? (Any five)

45. (a) Enumerate the different types of Financial Markets. (Any five) (OR)
 (b) Explain the various types of tests. (Any five)
 46. (a) Explain any five Government Entrepreneurial Schemes. (OR)
 (b) What are the advantages of Management by Exception (MBE)? (Any five)
 47. (a) Write notes on :
 (i) National Stock Exchange (NSE)
 (ii) National Securities Depository Limited (NSDL)
 (OR)
 (b) Explain the importance of Entrepreneurship. (Any five)

**ANSWERS****PART - I**

1. (b) To raise funds
 2. (b) Commercial Bank
 3. (b) Mutual funds
 4. (c) District judge
 5. (a) Art and Science
 6. (d) Bear
 7. (d) External
 8. (d) George Odiorne
 9. (d) Mumbai
 10. (a) Ralph Nader
 11. (a) July 2015
 12. (c) Manufacturing
 13. (d) Goods and Service Tax
 14. (a) Outside the factory
 15. (a) Modem
 16. (a) Planning
 17. (b) Pervasive
 18. (a) Commercial Bill Market
 19. (d) 1992
 20. (b) Customer

PART - II

21. The goals are achieved with the help of motivation. Motivation includes increasing the speed of performance of a work and developing a willingness on the part of the workers.
 22. (i) OTCEI means Over The Counter Exchange of India.

- (ii) The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.
- (iii) It addresses some specific problems of both investors and medium-size companies.
23. Remisier is an agent of a member of a stock exchange. He obtains business for his principal i.e. the member. He gets a commission for that service. He is called Remiser.
24. (i) The branch of management that deals with managing human resource is known as Human resource management.
- (ii) Human resource management is a function of management concerned with hiring, motivating and maintaining people in an organization. It focuses on people in an organization.
25. Grading means classification of standardized products in to certain well defined classes.
26. **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.
27. (i) As per the consumer protection act, 1986 at the district level each state established a consumer dispute redressal forum known as the District Forum.
- (ii) The district forum consists of a president and two members. The District Forum shall entertain the complaints where the value of goods or services exceeds the limit of ₹ 20 lakhs.
28. (i) Contingent goods are the goods, the acquisition of which by the seller depends upon a contingency.
- (ii) Contingent goods are a part of future goods.
29. The word 'Vote' originated in Latin word 'Votum' indicating one's wishes or desire. By casting his vote one formally declaring his opinion or wish in favour of or against a proposal or a candidate to be elected for an office.
30. If I am an entrepreneur, I can mobilise the capital in the following way such as own funds, borrowing from close circles, banks, financial institutions, venture capitalists, issuing shares and debentures, and term loans.

PART - III

31. Taylor propounded the principles of scientific management. They are :
- Science, Not Rule of Thumb
 - Harmony, Not Discord
 - Mental Revolution
 - Co-operation, Not individualism
 - Development of each and every person to his or her greatest efficiency and prosperity
32. The various types of commercial bills are as follows :
- Demand bills
 - Clean bill and documentary bills
 - Inland bills and foreign bills
 - Indigeneous bills
 - Accommodation and Supply bills.
- (i) **Demand bills** : A demand bill is one wherein no specific time of payment is mentioned.
- (ii) **Clean bills and documentary bills**: Bills that are accompanied by documents of title to goods are called documentary bills.
Eg : Railway Receipt and Lorry Receipt
- (iii) **Inland bills and Foreign bills** : Bills that are drawn and payable in India on a person who is resident in India are called inland bills.
33. The limitations of stock exchange are as follows :
- Lack of uniformity and control of stock exchanges.
 - Absence of restriction on the membership of stock exchanges.
 - Failure to control unhealthy speculation
 - Allowing more than one stock exchange in the place.
34. (i) To change or rectify the name of the company
- (ii) To alter the share capital of the company
- (iii) To redeem the debentures
35. (i) **Instigator** : As an instigator, marketer keenly watches the developments taking place in the market and identifies marketing opportunities emerging in the ever changing market.

- (ii) **Innovator** : Marketer seeks to distinguish his products/services by adding additional features to the existing product. He also does modifying the price structure, introducing new delivery pattern, creating new business models etc.
- (iii) **Integrator** : Marketer plays a role of integrator in the sense that he collects feedback or vital inputs from channel members and consumers and provides products/service solutions to customers/consumers by coordinating multiple functions of organisation.
36. The National Consumer Disputes Redressal Commission has the following members :
- The National Commission should have five members.
 - One should be from judiciary.
 - Four other members of ability, knowledge and experience from any other fields.
 - It should include a woman.
37. (i) Liberalization refers to laws or rules being liberalised or relaxed, by a government.
- (ii) 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.
- (iii) Liberalization is the result of 'New Industrial Policy' which abolished the "License system" or "Licence Raj".
38. (i) Every negotiable instrument is presumed to have been drawn, accepted etc. for consideration.
- (ii) A negotiable instrument is presumed to have been accepted.
- (iii) Every negotiable instrument bearing, a date is presumed to have been made or drawn on such a date.
39. **Drone Entrepreneur** :
- Drone entrepreneurs are those who are totally opposed to changes unfolding in the environment. They used to operate in the niche market.
 - They are similar to fabian entrepreneur in doggedly pursuing their conventional practices.
 - Example** : Gopal Tooth powder.
40. The significance of the placement is given below
- It improves employee morale
 - It helps in reducing employee turnover
 - It helps in reducing conflict rates or accidents
- PART - IV**
- 41.(a) Henry Fayol is the father of modern management. The following are the major principles of modern management are,
- 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.
- Authority and Responsibility** : Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.
- Discipline** : It is obedience, proper conduct in relation to others, respect of authority, etc. It is essential for the smooth functioning of all organisations.
- Unity of command** : This principle states that each subordinate should receive orders and be accountable to one and only one superior.
- 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) The first step in filing a consumer complaint is to send a legal notice to the seller or company. A legal notice must be drafted with the help of a consumer court lawyer and include the following:
- Details of the consumer like name, address, product or services purchase details of the company, etc.
 - Necessary details of the problem faced and describe the deficiency in service.
 - Action taken by the company in response to the customer complaint
 - Action expected from the company
 - Time period given to the company to take action.

42. (a) Advantages :

- (i) **Increase in foreign investment** : If a country liberalises its trade, it will make the country more attractive for inward investment. Inward investment leads to capital inflows but also helps the economy through diffusion of more technology, management techniques and knowledge.
- (ii) **Increase the foreign exchange reserve**: Relaxation in the regulations covering foreign investments and foreign exchange has paved way for easy access to foreign capital.
- (iii) **Increase in consumption** : Liberalization increases the number of goods available for consumption within a country due to increase in production.
- (iv) **Control over price** : The removal of tariff barriers can lead to lower prices for consumers. This would be particularly in benefit for countries who are importers.

Disadvantages :

- (i) **Increase in unemployment** : Trade liberalisation often leads to a shift in the balance of an economy. Some industries grow, some decline. Therefore, there may often be structured unemployment from certain industries closing.
- (ii) **Loss to domestic units** : With fewer entry restrictions, it has been possible for many entrants to make inroads into country, which poses a threat and competition to the existing domestic units.
- (iii) **Increased dependence on foreign nations** : Trade liberalisation means firms will face greater competition from abroad.

(OR)

(b) The following are the characteristics of money market.

- (i) **Short-term Funds** : It is a market purely for short-term funds or financial assets called near money.
- (ii) **Maturity Period** : It deals with financial assets having a maturity period upto one year only.
- (iii) **Conversion of Cash** : It deals with only those assets which can be converted into cash readily without loss and with minimum transaction cost.
- (iv) **No Formal Place** : Generally, transactions take place through phone i.e., oral communication. Relevant documents and written communications can be exchanged subsequently.

- (v) **Sub-markets** : It is not a single homogeneous market. It comprises of several sub-markets each specialising in a particular type of financing. Example, Call money market, Bill Market, Acceptance Market.

43. (a) The unique, peculiar and distinctive features of human resources are as under :

- (i) Human resource is the only factor of production that lives.
- (ii) Human resource created all other resources.
- (iii) It is only the labour of employees that is hired and not the employee himself.
- (iv) Human resource exhibits innovation and creativity.
- (v) Human resource alone can think, act analyse and interpret.
- (vi) Human resources are emotional beings.

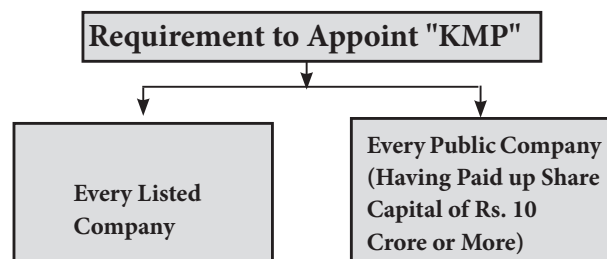
(OR)

- (b) **Key-Managerial Personnel of a Company** : Companies Act, 2013 has introduced many new concepts and Key Managerial Personnel is one of them. KMP covers the traditional roles of managing director and whole time director and also includes some functional heads like Chief Financial officer and Chief Executive officer and company secretary.

Key Managerial Personnel : Managerial Personnel is contained in section 2(51) of the companies Act, 2013. This section states:

- (i) The Chief Executive Officer
- (ii) The managing director or the Manager
- (iii) The Company Secretary
- (iv) The Whole-time Director
- (v) The Chief Financial Officer, and
- (vi) Such other officer as may be prescribed

Following Companies are required to appoint KMP



- 44. (a) (i) **Barter System** : The goods are exchanged against goods, without any other medium of exchange, like money.

- (ii) **Production Orientation** : This was a stage where producers, instead of being concerned with the consumer preferences, concentrated on the mass production of goods for the purpose of profit.
- (iii) **Sales Orientation** : The stage witnessed major changes in all the spheres of economic life. The selling became the dominant factor, without any efforts for the satisfaction of the consumer needs.
- (iv) **Marketing Orientation** : Customer's importance was realised but only as a means of disposing of goods produced. Competition became more stiff.
- (v) **Consumer Orientation** : Under this stage only such products are brought forward to the markets which are capable of satisfying the tastes, preferences and expectations of the consumers-consumer satisfaction.

(OR)

- (b) If an endorsement is to be valid, it must possess the following requisites :
- (i) Endorsement is to be made on the face of the instrument or on its back.
 - (ii) When there is no space for making further endorsements a piece of paper can be attached to the negotiable instrument for this purpose.
 - (iii) 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.
 - (iv) Endorsement for only a part of the amount of the instrument is invalid.
 - (v) Endorsement is complete only when delivery of the instrument is made.
45. (a) Financial markets can be classified in different ways. They are as follows :
- (i) **On the Basis of Type of Financial Claim :**
 - (a) **Debt Market** : Debt market is the financial market for trading in Debt Instrument (i.e. Government Bonds or Securities, corporate Debentures or Bonds).
 - (b) **Equity Market** : Equity market is the financial market for trading in Equity Shares of Companies.
 - (ii) **On the Basis of Maturity of Financial Claim:**
 - (a) **Money Market** : Money market is the market for short term financial claim (usually one year or less).
Example : Treasury Bills, Commercial Paper, Certificates of Deposit.
 - (b) **Capital Market** : Capital market is the market for long term financial claim more than a year
Example : Shares and Debentures.
 - (iii) **On the Basis of Time of Issue of Financial Claim:**
 - (a) **Primary Market** : 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.
 - (b) **Secondary Market** : Secondary market is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market.
 - (iv) **On the Basis of Timing of Delivery of Financial Claim:**
 - (a) **Cash/Spot Market** : Cash or Sport market is a market where the delivery of the financial instrument and payment of cash occurs immediately. i.e. settlement is completed immediately.
 - (b) **Forward or Futures Market** : Forward or futures market is a market where the delivery of asset and payment of cash takes place at a pre-determined time in future.
 - (v) **On the Basis of the Organizational Structure of the Financial Market :**
 - (a) **Exchange Traded Market** : Exchange traded market is a centralized organization (stock exchange) with standardized procedures.
 - (b) **Over-the-Counter Market** : Over – the – counter market is a decentralized market (outside the stock exchange) with customized procedures.

(OR)

(b) (A) Ability Test :

1. A test designed to measure an individual's cognitive function in a specific area such as variety of skills, mental aptitude, problem solving, knowledge of particular field, reasoning ability, intelligence, etc.
2. This test is used to find the suitability of a candidate for a given job role. It comprises the following:

- (i) **Aptitude test :** Aptitude test is a test to measure suitability of the candidates for the post/role. It actually measures skills sets of the candidates. It helps in predicting the ability and future performance of the candidate.
- (2) **Achievement Test :** This test measures a candidate's capacity to achieve in a particular field. The regular examination conducted in educational institution represents achievement test. It is also called proficiency test.
- (3) **Intelligence Test :** Intelligence tests are one of the psychological tests, that is designed to measure a variety of mental ability, individual capacity of a candidate. The main aim of these tests is to obtain an idea of the person's intellectual potential.
- (4) **Judgement Test :** This test is conducted to test the presence of mind and reasoning capacity of the candidates.

B. Personality Test : Personality test refers to the test conducted to find out the non-intellectual traits of a candidate namely temperament, emotional response, capability, and stability. There is no right or wrong in the test. It comprises the following tests.

- (i) Interest Test
- (ii) Personality Inventory test
- (iii) Projective test / Thematic appreciation test
- (iv) Attitude test

46. (a) (i) Make in India :

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

(ii) Atal Innovation Mission (AIM) :

AIM is the Government of India's endeavour to promote a culture of innovation and entrepreneurship, and it serves as a platform for promotion of world-class Innovation Hubs, Grand Challenges, start-up businesses and other self-employment activities, particularly in technology driven areas.

(iii) Support to Training and Employment Programme for Women (STEP) : STEP was launched by the Government of India's Ministry of Women and Child Development to train women who have access to formal skill training facilities, especially in rural India.

(iv) Digital India :

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

(v) Science for Equity Empowerment and Development (SEED) :

- (a) SEED aims to provide opportunities to motivated scientists and field level workers to undertake action-oriented, location specific projects for socio-economic gain, particularly in rural areas.
- (b) SEED emphasizes equity in development, so that the benefits of technology accrue to a vast section of the population, particularly the disadvantaged.

(OR)

- (b) Management by exception provides the following advantages.
- (i) It saves the time of managers because they deal only with exceptional matters. Routine problems are left to subordinates.
 - (ii) It focuses managerial attention on major problems. As a result, there is better utilisation of managerial talents and energy.
 - (iii) It facilitates delegation of authority. Top management concentrates on strategic decisions and operational decisions are left to the lower levels.
 - (iv) It is a technique of separating important information from unimportant one. It forces managers to review past history and study related business data for identifying deviations.
 - (v) MBE keeps management alert to opportunities and threats by identifying critical problems. It can avoid uninformed and impulsive action.
47. (a) (i) **National Stock Exchange. (NSE) :**
- (a) NSE was incorporated in November, 1992. It is a countrywide, screen based, Online and order driven trading system. It uses satellite link to spread trading throughout the country thereby connecting members scattered all over the India.
 - (b) Through computer network, member's orders for buying and selling within prescribed prices are matched by central computer with each other and instantly communicate to the trading member.
 - (c) NSE has two segments, i.e. Debt segment and capital segment. It has ushered in transparent, screen based and user friendly trading of global standards.
- (ii) **National Securities Depository Limited (NSDL) :**
- (a) National Securities Depository Ltd (NSDL) was inaugurated as the first depository in India on November 8, 1996.
 - (b) Trading in dematerialized securities on the National Stock Exchange (NSE) commenced in December 26, 1996.
 - (c) The Bombay Stock Exchange, (BSE) also extended the facility of trading in dematerialized securities from December 29, 1997.

(OR)

- (b) **Importance of Entrepreneurship :** Entrepreneurship plays a pivotal role in the economic development of a country. The following points highlight the significance of entrepreneurship.
1. **Innovation :** Entrepreneurship and innovation are closely intertwined with each other. It is no exaggeration to say that innovation cannot happen in any country without entrepreneurship. Entrepreneurs have contributed in no small measure to economic development of any country by innovation.
 2. **Contribution to Gross Domestic Product (GDP) :** Promotion of entrepreneurship all across the country would undoubtedly add to Gross Domestic Product and National Income of a country. It is stated that the countries like America, Japan, Germany and so on have recorded a phenomenal increase in the GDP, per capital income and national income, due to stupendous growth of entrepreneurship.
 3. **Balanced Regional Development :** Encouragement of entrepreneurship in under developed and undeveloped regions of a country through various incentives and concessions is more likely to promote balanced regional development across the country. Besides, essentially it checks the migration of rural population to urban centres in pursuit of employment.
 4. **Export Promotion :** Entrepreneurship helps a country not only earn precious foreign exchange but also preserve it. If entrepreneurship is encouraged to produce export oriented goods, it can significantly add to foreign exchange reserve of a country.
 5. **Full utilisation of Latent Resource :** Promotion of entrepreneurship across the country leads to better utilisation of economic, human, material and natural resources which would remain otherwise unutilised in a country.

