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+2 COMMON PUBLIC EXAMINATION, MARCH - 2020

STD: XII

TENTATIVE ANSWER KEY (09.03.2020)

SUBJECT: COMMERCE

MARKS : 90

Q. NO	CONTENT	MARK
	PART-I	20X1=20
I.	CHOOSE THE CORRECT ANSWER:	
1	c) Peter F. Drucker	1
2	c) 1992	1
3	c) Mumbai	1
4	b) (A) and (R) are correct and (R) is the correct explanation of (A)	1
5	c) Internet	1
6	c) 30	1
7	b) Cash Receipt d)	1
8	d) All of the above	1
9	d) (1) - (iii), (2)-(i), (3)-(iv), (4)-(ii)	1
10	a) General Crossing	1
11	d) Share Warrant	1
12	d) Planning	1
13	d) Equity Market - Debentures	1
14	b) Selection	1
15	d) Security Market	1
16	d) Program Variable	1
17	d) Responsibilities	1
18	d) Transportation	1
19	b) Mutual Funds	1
20	c) Unsolicited applicants	1

II.	PART - II (ANY SEVEN)	7X2=14
21	<p>Stock Exchange according to Hastings:</p> <p>According to Hastings, "Stock exchange or securities market comprises all the places where buyers and sellers of stocks and bonds or their representatives undertake transactions involving the sale of securities."</p>	2
22	<p>Meaning of Recruitment:</p> <ul style="list-style-type: none"> ❖ Recruitment is the process of finding suitable candidates for the various posts in an organisation. ❖ It is a process of attracting potential people to apply for a job in an organisation. 	2
23	<p>Market:</p> <ul style="list-style-type: none"> ❖ The word market is derived from the Latin word 'Mar catus' which means trade, commerce, merchandise, a place where business is transacted. ❖ The common usage of market means a place where goods are bought or sold. It is a medium or place to interact and exchange goods and services. 	2
24	<p>Rights of Consumer according to John F. Kennedy:</p> <ul style="list-style-type: none"> ❖ The former president of U.S.A Mr. John F. Kennedy defined the basic consumer rights as "The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard." 	2
25	<p>Internal Environment:</p> <ul style="list-style-type: none"> ❖ Internal environment refers to those factors within an organisation e.g Policies and programmes, organisational structure, employees, financial and physical resources. ❖ These factors can be changed or altered and hence are known as controllable factors. 	2
26	<p>Management tools:</p> <ul style="list-style-type: none"> ❖ Tools of management have been developed such as, accounting, business law, psychology, statistics, econometrics, data processing, etc. 	2
27	<p>Government Securities Market:</p> <ul style="list-style-type: none"> ❖ A market whereby the Government or gilt-edged securities can be bought and sold is called 'Government Securities Market'. 	2
28	<p>Promoter:</p> <ul style="list-style-type: none"> ❖ Promotion stage begins when the idea to form a company comes in the mind of a person. The person who envisage the idea is called a 'promoter'. <p style="text-align: center;">(OR)</p> <ul style="list-style-type: none"> ❖ Corporate entrepreneur is called promoter He/She takes initiative necessary to start and entity under corporate format. 	2
29	<p>Entrepreneur possess Analytical Ability:</p> <ul style="list-style-type: none"> ❖ Entrepreneurs should not make decisions on the basis of own 	

	<p>prejudice or personal likes and dislikes. Entrepreneur should be able to objectively analyses the situation and act accordingly.</p> <ul style="list-style-type: none"> ❖ They should abstain from taking emotional or hasty decisions when they are overwhelmed by emotions. In simple words Entrepreneur should take rational decisions after examining the various aspects of a problem. 	2
30	<p>Endorse a negotiable instrument:</p> <ul style="list-style-type: none"> ❖ 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. 	2
III.	PART - III (ANY SEVEN)	7X3=21
31	<p>Three Features of MBO: (Any Three points)</p> <ul style="list-style-type: none"> ❖ An attempt is made by the management to integrate the goals of an organization and individuals. This will lead to effective management. ❖ MBO tries to combine the long run goals of organization with short run goals. ❖ Management tries to relate the organization goals with society goals. ❖ MBO's emphasis is not only on goals but also on effective performance. ❖ It pays constant attention to refining, modifying and improving the goals and changing the approaches to achieve the goals on the basis of experience. ❖ It increases the organizational capability of achieving goals at all levels. ❖ A high degree of motivation and satisfaction is available to employees through MBO. ❖ Recognizes the participation of employees in goal setting process. ❖ Aims at replacing the exercise of authority with consultations. ❖ Encourages a climate of trust, goodwill and a will to perform. 	3
32	<p>Venture Fund Institutions:</p> <ul style="list-style-type: none"> ❖ Venture capital financing is a form of equity financing designed especially for funding new and innovative project ideas. ❖ Venture capital funds bring into force the hi-technology projects which are converted into commercial production. ❖ Many specialized financial institutions have promoted their own venture capital funds. ❖ They include Risk Capital Foundation of IFCI, Venture Fund of IDBI, SIDBI, Technology Development and Infrastructure Corporation of India (TDICI), and others. 	3

33	<p>Bear:</p> <ul style="list-style-type: none"> ❖ 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. ❖ A bear does not have securities at present but sells them at higher prices in anticipation that he will supply them by purchasing at lower prices in future. ❖ A bear usually presses its victim down to ground. Similarly the bear speculator tends to force down the prices of securities. A bear is a pessimistic speculator. 	3
34	<p>Steps in Recruitment Process:</p> <ul style="list-style-type: none"> ❖ Planning recruitment ❖ Determining vacancies ❖ Identifying the sources ❖ Drafting information for advertisement ❖ Selecting the suitable mode of advertisement ❖ Facilitating selection process ❖ Evaluation and control 	3
35	<p>E-Tailing:</p> <ul style="list-style-type: none"> ❖ E-tailing or electronic retailing refers to selling of goods and services through a shopping website (internet) or through virtual store to the ultimate consumer. ❖ Just as a physical store displays its products in windows and attracts the customer towards it, the shopping website displays the images of the products and highlights features and benefits along with attractive offers and lures the customer to buy the product. ❖ The customer buys the product by paying through credit card or other methods mentioned at the shopping website. The customer receives the product at their preferred address through courier service. ❖ E-tailing is a business to consumer (B2C) transaction model. E-tailing is also called online retailing 	3
36	<p>Artificial Scarcity:</p> <ul style="list-style-type: none"> ❖ 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 hefty 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. 	3
37	<p>Any three micro environmental factors of Business:</p> <p>i) Suppliers: ii) Customers:</p>	

	iii) Competitors: iv) Financiers: v) Marketing Channel members: vi) Public (Explain any three of these)	3
38	Six examples of Pure entrepreneurship: ❖ Dhirubai Ambani ❖ Jamshadji Tata ❖ T.V. Sundaram Iyengar ❖ Seshadriji, Birla ❖ Narayanamurthi ❖ Aziz Premji	3
39	Ordinary Resolution need to be passed : ❖ To change or rectify the name of the company ❖ To alter the share capital of the company ❖ To redeem the debentures ❖ To declare the dividends ❖ To approve annual accounts and balance sheet ❖ To appoint the directors ❖ To make inter corporate investment, within the limits ❖ To fill up the vacancy in the office of liquidator, etc.,	3
40	When there is no space in Negotiable Instrument for making further endorsement. how can it be endorsed: ❖ 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. ❖ 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
IV.	PART - IV	7X5=35
41	(a) Characteristics of Capital Market: (Explain) (i) Securities Market (ii) Price (iii) Participants (iv) Location (v) Market for Financial Assets	5
	(OR)	
	(b) 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.	5

	<ul style="list-style-type: none"> ❖ It facilitates delegation of authority. Top management concentrates on strategic decisions and operational decisions are left to the lower levels. There is increase in span of control. This leads to motivation and development of subordinates. ❖ 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. There is better use of knowledge of trends, history and available business data. ❖ 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. 	
42	<p>(a) Five differences between Stock Exchange of Commodity Exchange:</p> <ul style="list-style-type: none"> ❖ Meaning ❖ Function ❖ Object ❖ Participants ❖ Period of dealings ❖ Articles Traded ❖ Speculation ❖ Forward contract ❖ Cornering ❖ Price Quotation 	5
	<p style="text-align: center;">(OR)</p> <p>(b) Benefits of training to the Employees:</p> <ul style="list-style-type: none"> ❖ It adds to the knowledge skill and competency of employee ❖ It enables him to gain promotion or achieve career advancement in quick time. ❖ It improves the employees productivity ❖ It enhances the morale of the employee. ❖ Employees get higher earnings through incentives and rewards. ❖ It builds up the confidence of employee by changing his attitude positively towards to work ❖ It enables him to observe safety practices voluntarily during his engagement in dangerous operation 	5
43	<p>(a) Niche Marketing:</p> <ul style="list-style-type: none"> ❖ Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population. Actually there is no market in niche market. ❖ It is found by company, by identifying the need of customers which are not served or under served by the competitors. The company which identified niche market develops solution to satisfy the needs of niche market. 	5

	<ul style="list-style-type: none"> ❖ A niche market does not mean a small market, but it involves specific target audience with a specialized offering. It aimed at being a big fish in a small pond instead of being a small fish in a big pond. ❖ For example, there are various cinema halls across India, but there are few which have recliner seats to offer. Not everybody wants to watch a movie by paying 5x-6x times the cost of a normal ticket. ❖ The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts. 	
	(OR)	
	<p>(b) Impact of Globalization:</p> <ul style="list-style-type: none"> ❖ Corporations got a competitive advantage from lower operating costs, and access to new raw materials and additional markets. ❖ Multinational corporations (MNCs) can manufacture, buy and sell goods worldwide. ❖ Globalization has led to a boom in consumer products market. ❖ The advent of foreign companies and growth in economy has led to job creation. ❖ Globalization has touched every aspect of agriculture like technological advancement, improved production techniques and quality based enhancement. 	5
44	<p>(a) Five Rights of Consumers: (Explain any 5)</p> <ul style="list-style-type: none"> ❖ Right to Protection of Health and Right of Safety ❖ Right to be Informed ❖ Right to choose ❖ Right to be Heard ❖ Right to Seek Redressal ❖ Right to Consumer Education ❖ Right to Quality of Life ❖ Right to Consumer Protection ❖ Right to Basic Needs 	5
	(OR)	
	<p>(b) Role of Financial market: (Explain)</p> <ul style="list-style-type: none"> (i) Savings Mobilization (ii) Investment (iii) National Growth (iv) Entrepreneurship Growth (v) Industrial Development 	5
45	<p>(a) (i) Class Meeting:</p> <ul style="list-style-type: none"> ❖ Meetings, which are held by a particular class of share or debenture holders e.g. preference shareholders or 	

	<p>debenture holders is known as class meeting.</p> <ul style="list-style-type: none"> ❖ The debenture holders of a particular class conduct these meetings. ❖ These meetings are held according to the rules and regulations laid by the Trust Deed or Debenture Bond, from time to time, where the interests of the debenture holders play vital role at the time of re-organisation, reconstruction, amalgamation or winding-up of the company. <p>(ii) Meeting of the creditors:</p> <ul style="list-style-type: none"> ❖ 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 consensus with the creditors to avoid any crisis or to evolve compromise or to introduce any new proposals. 	5
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	<p>(OR)</p> <p>(b) Presumptions of Negotiable Instruments:</p> <ul style="list-style-type: none"> ❖ Certain presumptions as briefly mentioned below: ❖ Every negotiable instrument is presumed to have been drawn, accepted etc. for consideration. ❖ A negotiable instrument is presumed to have been accepted. ❖ Every negotiable instrument bearing, a date is presumed to have been made or drawn on such a date. ❖ It is presumed to have been accepted within a reasonable time after the date and before its maturity. ❖ The transfer of a negotiable instrument is presumed to have been made before maturity. ❖ The endorsements appearing upon a negotiable instrument are presumed to have been made in the order to which they appear thereon. ❖ When a negotiable instrument has been lost, it is presumed to have been duly stamped. ❖ The holder of a negotiable instrument is presumed to be a holder in due course. 	5
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46	<p>(a) Distinguish Between an Entrepreneur and an Intrapreneur:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Basis</th> <th style="width: 40%;">Entrepreneur</th> <th style="width: 40%;">Intrapreneur</th> </tr> </thead> <tbody> <tr> <td>Thinking</td> <td>Entrepreneur is a free thinker</td> <td>Intrapreneur is forced to think independently but within scope of business activities undertaken in the enterprise.</td> </tr> <tr> <td>Dependency</td> <td>Entrepreneur is an independent</td> <td>Intrapreneur is dependent on the</td> </tr> </tbody> </table>	Basis	Entrepreneur	Intrapreneur	Thinking	Entrepreneur is a free thinker	Intrapreneur is forced to think independently but within scope of business activities undertaken in the enterprise.	Dependency	Entrepreneur is an independent	Intrapreneur is dependent on the	
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Dependency	Entrepreneur is an independent	Intrapreneur is dependent on the									

	person	entrepreneur. He is an employee.	5
Fund Mobilization	Entrepreneur has to mobilize funds to finance the venture.	Intrapreneur does not engage in fund mobilization. But can access funds mobilized by the entrepreneur.	
Reward	Entrepreneur is rewarded by profit for the risk bearing exercise.	Intrapreneur does not share in profits of venture. But gets perquisites, salary, incentives etc., for the service.	
Risk Bearing	Entrepreneur bears the risk involved in the venture undertaken.	Intrapreneur does not bear any risk in the venture and does not even share the risk inherent in the project or work assigned. However Intrapreneur is accountable for the task or project assigned.	
Status	Entrepreneur is owner, and doesn't report to anybody in the venture.	Intrapreneur is a salaried employee. Intrapreneur works within control put in place in the organization and is made accountable for the activities undertaken.	
Operation	Entrepreneur operates mostly outside the enterprise.	Intrapreneur operates within the enterprise.	
(OR)			
	(b) Explain any five items that can be marketed: <ul style="list-style-type: none"> ❖ Experiences ❖ Events ❖ Persons ❖ Places ❖ Properties ❖ Organisations ❖ Information ❖ Ideas 		5
47	(a) Directors will be liable with a fine and imprisonment or both for fraud of non-compliance of any statutory provisions in the following situations where <ul style="list-style-type: none"> ❖ There is mis-statement in Prospectus ❖ There is failure to file return on allotment with the registrar ❖ There is failure to give notice to the registrar for conversion of share into stock ❖ There is failure to issue share Certificate and Debenture certificate ❖ There is failure to maintain register of the members and register 		5

	of debenture holders ❖ There is default in holding Annual General Meeting ❖ There is failure to provide Financial Statements	
	(b) Any five challenges of women entrepreneurial journey: ❖ Problem of Finance ❖ Limited Mobility ❖ Lack of Education ❖ Lack of Network Support ❖ Stiff Competition ❖ Sensitivity ❖ Lack of Information ❖ Dependent culture	5

MARK ANALYSIS

மதிப்பெண்	மொத்த வினாக்கள்	புத்தக வினாக்கள்	அகவய வினாக்கள்	மொத்த மதிப்பெண்கள்
1 மதிப்பெண் வினாக்கள்	20	12	8	20
2 மதிப்பெண் வினாக்கள்	10	6	4	20
3 மதிப்பெண் வினாக்கள்	10	9	1	30
5 மதிப்பெண் வினாக்கள்	14	10	4	70
மொத்த மதிப்பெண்கள்	140	101	39	140
சதவீதம்		72.14%	27.86%	100

Department of Commerce
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