

SHRI VIDHYABHARATHI MATRIC.HR.SEC.SCHOOL



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+2 COMMON QUARTERLY EXAMINATION - 2019

SUBJECT: COMMERCE

MARKS : 90

Q. NO	CONTENT	MARK
	PART-A	20X1=20
I.	CHOOSE THE CORRECT ANSWER:	
1	a) Manager	1
2	b) Taylor	1
3	a) Decision making	1
4	c) MBO	1
5	c) Long term finance	1
6	b) 1992	1
7	b) Short term funds	1
8	b) 24	1
9	a) 1988	1
10	a) Mutual funds	1
11	b) Intangible	1
12	b) External	1
13	b) Negative	1
14	c) In a situation similar to actual working environment	1
15	b) Marketer	1
16	c) Barter System	1
17	c) National Savings Certificates	1
18	d) Can do anything without planning	1
19	c) Program variable	1
20	b) For their own transactions	1

II.	PART-B(ANY SEVEN)	7X2=14
21	<p>Management:</p> <ul style="list-style-type: none"> ❖ Management is part and parcel of our day to day life. ❖ The practice of management could be found in our entire endeavour whether we are in a play ground or library or class room or hostel and so on wherein we plan many of our actions and execute them in a systematic manner to arrive at the desired results. 	2
22	<p>Planning:</p> <ul style="list-style-type: none"> ❖ planning refers to deciding in advance. Planning is a constructive reviewing of future needs so that present actions can be adjusted in view of the established goal. 	2
23	<p>Meaning of MBO:</p> <ul style="list-style-type: none"> ❖ Management By Objectives (MBO) is a management system in which each member of the organisation effectively participates and involves himself. ❖ This system gives full scope to the individual strength and responsibility. MBO harmonises the goal of an individual with the organisation's goal. 	2
24	<p>Financial market:</p> <ul style="list-style-type: none"> ❖ A market wherein financial instruments such as financial claims, assets and securities are traded is known as a 'financial market'. 	2
25	<p>OTCEI:</p> <ul style="list-style-type: none"> ❖ 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. 	2
26	<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
27	<p>Define Stock Exchange:</p> <ul style="list-style-type: none"> ❖ 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." 	2

28	objectives of SEBI.(any 2) <ul style="list-style-type: none"> ❖ Regulation of Stock Exchanges ❖ Protection to the Investors ❖ Checking the Insider Trading ❖ Control over Brokers 	2
29	Human Resource Management ? <ul style="list-style-type: none"> ❖ Human Resource Management is a function of management concerned with hiring, motivating and maintaining people in an organisation. It focuses on people in an organisation. 	2
30	Intelligence test? <ul style="list-style-type: none"> ❖ Intelligence tests are one of the psychological tests, that is designed to measure a variety of mental ability, individual capacity of a candidate. 	2
III.	PART-C(ANY SEVEN)	7X3=21
31	The principles of Taylor? <p>Principles of scientific management propounded by Taylor are</p> <ul style="list-style-type: none"> ❖ Science, Not Rule of Thumb ❖ Harmony, Not Discord ❖ Mental Revolution ❖ Cooperation, Not Individualism ❖ Development of each and every person to his or her greatest efficiency and prosperity. 	3
32	Importance of Directing: <ul style="list-style-type: none"> ❖ Directing denotes motivating, leading, guiding and communicating with subordinates on an ongoing basis in order to accomplish pre-set goals. ❖ Employees are kept informed of all necessary matters by circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism etc., ❖ In order to enable the employees to accomplish the organizational goals. 	3
33	The features of MBO : (any 3) <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. 	3

	<ul style="list-style-type: none"> ❖ 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. 	
34	<p>Secondary Market.</p> <ul style="list-style-type: none"> ❖ Secondary Market is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market. 	3
35	<p>Kinds of Capital Market :</p> <p>I Primary Market</p> <ul style="list-style-type: none"> ❖ Primary market is a market for new issues or new financial claims. Hence, it is also called New Issue Market. <p>(i) Public Issue:</p> <p>(ii) Rights Issue:</p> <p>(iii) Private Placement:</p> <p>II Secondary Market</p> <ul style="list-style-type: none"> ❖ Secondary Market may be defined as the market for old securities, in the sense that securities which are previously issued in the primary market are traded here. ❖ The trading takes place between investors who follow the original issue in the primary market. It covers both stock exchange and over-the counter market. 	3
36	<p>Types of Commercial Bill(any 3)</p> <p>A. Demand and Usance Bills</p> <ul style="list-style-type: none"> ❖ A demand bill is one wherein no specific time of payment is mentioned. So, demand bills are payable immediately when they are presented to the drawee. <p>B. Clean bills and documentary Bills</p> <ul style="list-style-type: none"> ❖ Bills that are accompanied by documents of title to goods are called documentary bills. Clean bills are drawn without accompanying any document. <p>C. Inland bills and Foreign Bills</p> <ul style="list-style-type: none"> ❖ Bills that are drawn and payable in India on a person who is resident in India are called inland bills. Bills that are drawn outside India and are payable either in India or outside India are called foreign bills. 	3

D. Indigenous Bills

- ❖ The drawing and acceptance of indigenous bills are governed by native custom or usage of trade.

E. Accommodation and supply Bills

- ❖ Accommodation bills are those which do not arise out of genuine trade of transactions.

37

Bull and Bear.

bull:

- ❖ A Bull or Tejiwala is an operator who expects a rise in prices of securities in the future. In anticipation of price 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 because just like a bull tends to throw his victim up in the air, the bull speculator stimulates the price to rise.
- ❖ He is an optimistic speculator.

bear:

- ❖ 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

38

Organization structure of SEBI:



3

39	<p>Importance of Human resource: (Any 3)</p> <ul style="list-style-type: none"> ❖ It is only through human resource all other resources are effectively used ❖ The sustainable growth of an organisation depends on the important resource human resource ❖ Industrial relations depend on human resource ❖ Human relations is possible only through human resource ❖ Human resource manages all other factors of production ❖ Human resource can be utilised at all levels of management ❖ Human resources are well protected by legislative frameworks. 	3
40	<p>Aptitude test:</p> <ul style="list-style-type: none"> ❖ Aptitude test is a test to measure suitability of the candidates for the post/role. It actually measures whether the candidate possess a set of skills required to perform a given job. ❖ It helps in predicting the ability and future performance of the candidate. 	3
IV.	PART-D	7X5=35
41	<p>Contribution of Drucker to management.</p> <p>(i) Managing a business; (ii) Managing manager; and (iii) Managing workers and work.</p> <ul style="list-style-type: none"> ❖ Even if one is omitted, It would not have management anymore and it also would not have a business enterprise or an industrial society. According to P. Drucker, the manager has to balance and integrate three major jobs of a business enterprise as mentioned above. ❖ Hence, a manager is a dynamic and life-giving element in 	5

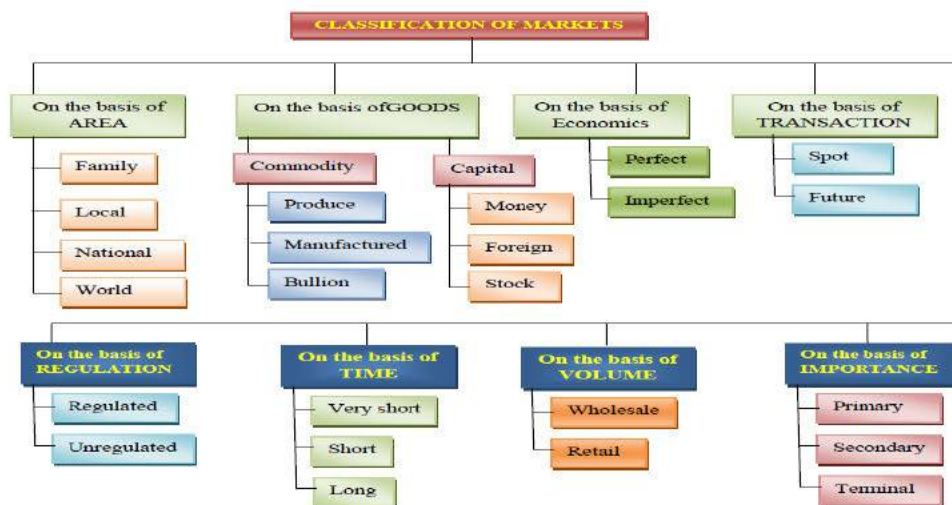
every business. Without efficient management it cannot be secure the best allocation and utilisation of human, material and financial resources.

(OR)

Evolution of marketing: (Explain)

- Barter System
- Production Orientation
- Sales Orientation
- Marketing Orientation
- Consumer Orientation
- Management Orientation

42 Market can be classified:



5

(OR)

Functions of management.

- Planning
- Organising
- Staffing .
- Directing
- Controlling
- Co-ordination
- Motivating

(Explain)

	<p>Subsidiary Functions</p> <ul style="list-style-type: none"> → Innovation → Representation → Decision-making → Communication 	
43	<p>Process involved in MBO? (Explain any 5)</p> <ul style="list-style-type: none"> → Defining Organisational Objectives → Goals of Each Section → Fixing Key Result Areas → Setting Subordinate Objectives or Targets → Matching Resources with Objective → Periodical Review Meetings → Appraisal of Activities 	5
	<p style="text-align: center;">(Or)</p> <p>Classified on the basis of economics?</p> <p>A. Perfect market: a market is said to be a perfect market, if it satisfies the following conditions:</p> <ul style="list-style-type: none"> → Large number of buyers and sellers are there. → Prices should be uniform throughout the market. → Buyers and sellers have a perfect knowledge of market. → Goods can be moved from one place to another without restrictions. → The goods are identical or homogenous. → It should be remembered that such types of markets are rarely found. <p>B. Imperfect market: a market is said to be imperfect when</p> <ul style="list-style-type: none"> → Products are similar but not identical. → Prices are not uniform. → There is lack of communication. → There are restrictions on the movement of goods. 	
44	<p>Principles of modern management.</p> <ul style="list-style-type: none"> → Division of Work → Authority and Responsibility → Discipline → Unity of Command 	

	<ul style="list-style-type: none"> → Unity of Direction → Mutual Interest → Remuneration → The Degree of Centralization (Explain) → Line of Authority/Scalar Chain → Order → Equity → Stability of Tenure of Personnel → Initiative → Esprit de Corps/Team Spirit 	5
	<p>(OR)</p> <p>Principles of placement:</p> <ul style="list-style-type: none"> → Job First, Man Next → Job Offer → Terms and conditions → Aware about the Penalties (Explain) → Loyalty and Co-operation 	
45	<p>Different methods of recruitment: (explain)</p> <p>Internal Sources - Transfer, Upgrading, Promotion, Demotion, Recommendation by existing Employees, Job rotation, Retired employees, Dependants, Previous applicants, Acquisitions and Mergers</p> <p>External Sources</p> <p>Direct – Advertisements, Unsolicited applicants, Walk ins, Campus Recruitment, Recruitment at Factory gate, Rival firms, e Recruitment</p> <p>Indirect – Employee referral, Government/Public Employment Exchanges, Employment Agencies, Employment Consultancies, Professional Associations, Deputation, Word of mouth, Labour Contractors, Job Portals, Outsourcing, Poaching</p>	5
	<p>(OR)</p> <p>Different kinds of financial markets: (Explain)</p> <p>a. On the Basis of Type of Financial Claim</p> <ul style="list-style-type: none"> → Debt Market → Equity Market <p>b. On the Basis of Maturity of Financial Claim</p> <ul style="list-style-type: none"> → Money Market → Capital Market 	

	<p>c. On the Basis of Time of Issue of Financial Claim</p> <ul style="list-style-type: none"> → Primary Market → Secondary Market <p>d. On the Basis of Timing of Delivery of Financial Claim</p> <ul style="list-style-type: none"> → Cash/Spot Market → Forward or Futures Market <p>e. On the Basis of the Organizational Structure of the Financial Market</p> <ul style="list-style-type: none"> → Exchange Traded Market. → (ii) Over-the-Counter Market 	
46	<p>Features of Government Securities: (any 5) (Explain)</p> <ul style="list-style-type: none"> → Agencies → RBI Special Role → Nature of Securities → Liquidity Profile → Tax Rebate → Market → Forms → Participants → Trading → Issue Mechanism → Issue opening → Grooming Gradual → Switching → Auctioning 	5
	<p style="text-align: center;">(OR)</p> <p>Powers of SEBI. (Explain) (any 5)</p> <ul style="list-style-type: none"> → Powers Relating to Stock Exchanges & Intermediaries → Power to Impose Monetary Penalties SEBI has been → Power to Initiate Actions in Functions Assigned: SEBI has → Power to Regulate Insider Trading → Powers Under Securities Contracts Act → Power to Regulate Business of Stock Exchanges 	
47	<p>Significance of Human Resource Management.</p> <ul style="list-style-type: none"> → To identify manpower needs → To incorporate change → To ensure the correct requirement of manpower → To select right man for right job → To update the skill and knowledge → To appraise the performance of employees → To improve competitive advantage 	5

→ To provide incentives and bonus to best performers

→ To determine employee commitment

(OR)

Benefits of stock exchange to the Community:

i. Economic Development

It accelerates the economic development by ensuring steady flow of savings into productive purposes.

ii. Fund Raising Platform

It enables the well-managed, profit-making companies to raise limitless funds by fresh issue of shares from time to time.

iii. Tools to Divert Resources

Scarce resources are thus diverted to efficiently run enterprises for better utilization.

iv. Capital Formation

It encourages capital formation.

v. Fund Raiser for Government

It enables Government to raise funds for undertaking projects through sale of securities on the stock exchange. Thus stock exchange serves as a platform for raising public debt.

Department of commerce

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