

**+2 COMM Revision-I – JAN 2026 Madurai (Dt)**

**Answer all questions**

**20 x 1= 20**

1. B Taylor
2. D Defining Organisational Objectives
3. A To rise funds
4. A Short term Fund
5. C Bull
6. B Bombay
7. D Apprenticeship training
8. B Social Class
9. C 15.4.1987
10. D All of the above
11. C Cheque
12. A Human Resource
13. D All of the above
14. B Make in India
15. A Selection
16. C Three directors
17. C Eighteen
18. A i ii iii iv
19. A A and R are correct and R is the correct explanation for A
20. A Mental Revolution

**II. Answer any Seven Questions: 7 x 2 = 14**

- 21. What is selection:** Authority means the right of a superior to give the order to his subordinates.
- 22. Meaning of Authority:** The participants of the capital market include individuals, corporate sectors, Govt., banks and other financial institutions.
- 23. Mention any two advantages of MBO:** 1. Systematic evaluation of performance is made with the help of MBO. 2. Delegation of authority is easily done with the help of MBO.
- 24. OTCEI:** The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.
- 25. Types of Speculators:** 1. Bull 2. Bear 3. Stag 4. Lame Duck

**26. Human Resource Management:** The branch of management that deals with managing human resource is known as Human Resource Management.

**27. Regulated Market:** These are types of markets which are organised, controlled and regulated by statutory measures.

**28. Right to be informed:** Consumers should be given all the relevant facts about the product so that they can take intelligent decisions on purchasing the product.

**29. Management functions of an entrepreneur:**

1. Planning
2. Organising
3. Directing
4. Controlling
5. Coordination.

**30. Treasury Bills** are issued to the public and other financial institutions for meeting the short-term financial requirements of the Central Government.

**III. Answer any Seven questions: 7 x 3 = 21**

**31. Employees are informed about important matters in a company:** Communication is the transmission of human thoughts, views or opinions from one person to another person. Employees are kept informed of all necessary matters by circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism etc.,

**32. Secondary Market:** Secondary Market is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market.

**33. Participants of Money Market:** 1. Government of different countries 6. Non-Banking Financial Institutions 2. Central Banks of different countries 7. RBI and SBI 3. Private and Public Banks 8. Commercial Banks 4. Mutual Funds Institutions 9. State Governments 5. Insurance Companies 10. Public

**34. Draw the structures of SEBI:**

**Organization Structure of Sebi**



**35. Meant by job portals:** Using internet job portals organisations can screen for the prospective candidates and fill up their vacancies .

**36. Impacts on Globalization:** 1. Corporations got a competitive advantage from lower operating costs, and access to new raw materials and additional markets. 2. Multinational corporations (MNCs) can manufacture, buy and sell goods worldwide. 3. Globalisation has led to a boom in consumer products market. 4. The advent of foreign companies and growth in economy has led to job creation. 5. Globalisation has touched every aspect of agriculture like technological advancement, improved production techniques and quality based enhancement.

**37. Promissory Note:** 1. A promissory note must be in writing. 2. The promise to pay must be unconditional. 3. It must be signed by the maker. 4. The promise must be for payment of money only.

**38. Fabian entrepreneur:** These entrepreneurs are said to be conservatives and sceptical about plasticising any change in their organisation. They are of risk-averse type. They do not simply change to the changes happening in the environment. But they adapt themselves to the changes only as a last resort when they fear that non adaptability to changes will inevitably lead to loss or collapse of the enterprise.

**39. Issue of Securities at 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'.

**Venture Fund Institutions:** 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.

**40.** A share warrant is a Negotiable instrument.

**IV. Answer all the questions: 7 x 5 = 35**

**41.A) Describe the modern management principles:**

**1. 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; leads to specialization which increases the efficiency of labour.

**2. Authority and Responsibility:** Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

**3. Discipline:** It is obedience, proper conduct in relation to others, respect of authority, etc. It is essential for the smooth functioning of all organizations.

**4. Unity of Command:** This principle states that each subordinate should receive orders and be accountable to one and only one superior. If an employee receives orders from more than one superior, it is likely to create confusion and conflict.

**5. 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.

**41.B) What are the major advantages of MBO:** 1. Systematic evaluation of performance is made with the help of MBO. 2. MBO gives the criteria of performance. It helps to take corrective action. 3. Delegation of authority is easily done with the help of MBO. 4. MBO motivates the workers by job enrichment and makes the jobs meaningful. 5. The responsibility of a worker is fixed through MBO.

**42.A) Types of Financial Markets:**

**(i) Venture Fund Institutions**

Venture capital financing is a form of equity financing designed especially for funding new and innovative project ideas.

**(ii) Mutual Funds**

Financial institutions that provide facilities for channeling savings of small investors into avenues of productive investments are called 'Mutual Funds'.

**(iii) Factoring Institutions**

“Factoring” is an arrangement whereby a financial institution provides financial accommodation on the basis of assignment/sale of account receivables.

**(iv) Over the Counter Exchange of India (OTCEI)**

The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.

**(v) National Stock Exchange of India Limited (NSEI)**

NSEI was established in 1992 to function as a model stock exchange.

The Exchange aims at providing the advantage of nation-wide electronic screen based “scripless” and “floorless” trading system in securities.

**42.B) Functions of Stock Exchange:**

**1. Ready and Continuous Market:**

Stock Exchange is, in fact, a market for existing securities. If an investor wants to sell his securities, he can easily and quickly dispose them off on a stock exchange.

**2. Correct Evaluation of Securities:** The prices at which securities are bought and sold are recorded and made public. These prices are called “market quotations”. One can easily evaluate the worth of one’s securities on the basis of these quotations.

**3. Protection to Investors:** All dealings in a stock exchange are in accordance with well-defined rules and regulations. So investor’s interest is protected. **4. Proper Canalisation of Capital:** People like to invest in the shares of such companies which yield good profits. The savings of individuals are directed towards promising companies which declare good dividends over a period of time.

**5. Facilities for Speculation:** Speculation is an integral part of stock exchange operations. As a result of speculation, demand for and supplies of securities are equalized. Similarly, price movements are rendered smoothly.

**43.A) Importance of human resource management:**

**1. To identify manpower needs:** Determination of manpower needs in an organisation is very important as it is a form of investment. The number of men required are to be identified accurately to optimise the cost. **2. To incorporate change:** Change is constant in any

organisation and this change has to be introduced in such a way that the human resource management acts as an agent to make the change effective. **3. To select right man for right job:** Human resource management ensures the right talent available for the right job, so that no employee is either under qualified or over qualified. **4. To update the skill and knowledge:** Managing human resource plays a significant role in the process of employee skill and knowledge enhancement to enable the employees to remain up to date through training and development programmes. **5. To appraise the performance of employees:** Periodical appraisal of performance of employees through human resource management activities boost up good performers and motivates slow performers.

**43.B)**

Basis	Recruitment	Selection
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.
Sequence	First	Second
Method	It is an economical method	It is an expensive method
Process	Process is very simple	process is very complex and
Time	Less time is required	More time is required

**44.A) How is the market classified:**

**a. Family Market:** When exchange of goods or services are confined within a family or close members of the family, such a market can be called as family market.

**b. Local Market:** Participation of both the buyers and sellers belonging to a local area or areas, may be a town or village, is called as local market. The demands are limited in this type of market. For example, perishable goods like fruits, fish, vegetables etc.

**c. Short Period Market:** i. In certain goods, supply is adjusted to meet the demand. The demand is greater than supply. Such markets are known as Short Period Market.

**d. Long Period Market:** This type of market deals in durable goods, where the goods and services are dealt for longer period usages.

**e. Wholesale Market:** In wholesale market goods are supplied in bulk quantity to dealers/retailers. The goods and services are not sold to customers directly.

**44.B) Explain any two methods of modern marketing.**

**(I) Guerrilla marketing:** Guerrilla marketing represents an advertisement strategy to promote products/ services on streets or other public places with monkey like shopping malls, parks beach etc., It is suited to small companies which cannot set apart big advertisement budget.

**(II) Viral Marketing:** Viral marketing is able to generate interest and the potential sale of a brand or product through messages that spread quickly like a virus from person to person.

**45.A) Explain the duties of consumers.**

**i) 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.

**ii) 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.

**iii) 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.

**iv) 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.

**v) Misleading Schemes:** Mostly advertisements are used to be very attractive and appealing to the senses. They may be occasionally false and misleading.

**45.B) Explain the micro environmental factors of business.**

**i) Suppliers:** In any organization the suppliers of raw materials and other inputs play a very vital role. Timely procurement of materials from suppliers enables continuity in production and reduces the cost of maintaining stock/inventory.

**ii) Customers:** The aim of any business is to satisfy the needs of its customers. The customer is the king and the fulcrum around

which the business revolves. Customer relationship management aim sat creating and sustaining cordial relations with customers.

**iii) Competitors:** All organizations face competition at all levels local, national and global. Competitors may be for the same product or for similar products.

**iv) Financiers:** The financiers of a business which includes the debenture holders and financial institutions play a significant part in the running of a business.

**v) Public:** This refers to any group like media group, citizen action group and local public which has an impact on the business. The public group has the ability to make or mar a business.

**46.A) Basic elements of a sales contract: elements of contract of sale.**

**1. Two Parties:** A contract of sale involves two parties the seller and the buyer. The buyer and the seller should be two different persons.

**2. Transfer of Property:** To constitute sale, the seller must transfer or agree to transfer the ownership in the good to the buyer. A mere transfer of possession does not amount to sale.

**3. Goods:** The term 'goods' includes every kind of movable property, stocks and shares, growing crops etc.

**4. Price:** The monetary consideration for the goods sold is called price. If goods are exchanged for goods, it is only barter and not a sale.

**5. Includes both 'Sale' and 'Agreement to Sell':** The term contract of sale includes both sale and agreement to sell. If the property in goods is transferred immediately to the buyer it is called a sale.

46 B) S.NO	BASIS	Entrepreneur	Intrapreneur.
1	Thinking	Entrepreneur is a free thinker	Intrapreneur is forced to think independently but within scope of business activities undertaken in the enterprise.
2	Dependency	Entrepreneur is an independent person	Intrapreneur is dependent on the entrepreneur

3	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
4	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
5	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.
6	Status	Entrepreneur is owner	Intrapreneur is a salaried employee
7	Operation	Entrepreneur operates mostly outside the enterprise	Intrapreneur operates within the enterprise

#### 47.A) Discuss the nature of functional entrepreneurs.

##### 1. Innovative entrepreneurs:

These entrepreneurs have the ability to think newer, better and more economical ideas of business organisation and management. They are the business leaders and contributors to the economic development of a country.

##### 2. Imitating entrepreneurs:

These entrepreneurs are people who follow the path shown by innovative entrepreneurs.

They imitate innovative entrepreneurs because the environment in which they operate is such that it does not permit them to have creative and innovative ideas on their own.

##### 3. Fabian entrepreneurs:

Fabian entrepreneurs are those individuals who do not show initiative in visualising and implementing new ideas and innovations wait for some development which would motivate them to initiate unless there is an imminent threat to their very existence.

##### 4. Drone entrepreneurs:

Drone entrepreneurs are those individuals who are satisfied with the existing mode and speed of business activity and show no inclination in gaining market leadership.

##### 5. Social Entrepreneur:

Social entrepreneurs drive social innovation and transformation in various fields including education, health, human rights, workers' rights, environment and enterprise development.

#### 47.B.) Different types of Directors.

##### Types of Directors as per Companies Act 2013

**1. Residential Director:** – According to Section 149(3) of Companies Act 2013, Every company should appoint a director who has stayed in India for a total Period of not less than 182 days in the previous calendar year.

**2. Independent Director:** According to Section 149(6) an independent director is an alternate director other than a Managing Director who is known as Whole Time Director Or Nominee Director.

**3. Small Shareholders Directors:** Small shareholders can appoint a single director in a listed company.

**4. Nominee Director:** "A director nominated by any financial Institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government , or any other person to represent its interests".

**5. Women Director:** As per Section 149 (1) (a), there are certain categories according to which there should be at least one woman as a director on the Board.