

COMMERCE

Maximum Marks: 80

Time Allowed: Three Hours

Candidates are allowed additional 15 minutes for only reading the paper.

They must NOT start writing during this time.

Answer all questions in Section A, Section B and Section C.

Section A consists of objective / very short answer questions.

Section B consists of short answer questions.

Section C consists of long answer questions.

The intended marks for questions or parts of questions are given in brackets [].

SECTION A – 16 MARKS

Question 1

- (i) Best Pest Control Services has seventy-five technicians who are experts in pest control. The management decides to train these technicians again in order to keep pace with the growing technological changes and improve pest control techniques. [1]
What type of training should the management impart to these technicians?
- (a) Orientation Training
 - (b) Job Training
 - (c) Refresher Training
 - (d) Safety Training
- (ii) A Debenture issued by a company by creating a fixed or a floating charge on the company's assets is known as: [1]
- (a) Non-Convertible Debenture
 - (b) Mortgage Debenture
 - (c) Redeemable Debenture
 - (d) Unsecured Debenture

This Paper consists of 6 printed pages.

- (iii) With reference to Credit Card, which one of the following statements is **INCORRECT?** [1]
- (a) The cardholder makes payments after using the card.
 - (b) Some incentives/gifts are made available to the cardholders.
 - (c) The cardholder has to deposit some money in advance with the issuer bank.
 - (d) In certain cases, the cardholder has to pay an annual fee for the credit card.
- (iv) A business firm should have extra funds to meet future emergencies. Identify the type of working capital indicated here. [1]
- (a) Special
 - (b) Seasonal
 - (c) Initial
 - (d) Regular
- (v) Principles of Management are not as accurate as principles of Science because: [1]
- (a) they are absolute.
 - (b) they deal with human behaviour which is unpredictable.
 - (c) they are rigid.
 - (d) they are not universally accepted.
- (vi) An awareness of business environment enables an enterprise to take advantage of early opportunities instead of losing them to competitors. [1]
- Which benefit of understanding the business environment is highlighted in the above statement?
- (a) Customer Focus
 - (b) Early Warning Signal
 - (c) First Mover Advantage
 - (d) Public Image
- (vii) State whether the following are True or False [4]
- (a) Recession is an 'inherent constraint' in almost all manufacturing organisations.
 - (b) As a function of marketing, Warehousing creates time utility.
 - (c) Directing initiates action in an organisation.
 - (d) Customer orientation is a modern approach to marketing.

- (viii) **Assertion:** Services cannot be standardised. [1]
Reason: Services are homogenous in nature.
- (a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion.
(b) Both Assertion and Reason are true but Reason is not the correct explanation of Assertion.
(c) Assertion is true but Reason is False.
(d) Assertion is False but Reason is true.
- (ix) _____ organisations are formed spontaneously as a result of social interaction among employees in an organisation. [1]
- (x) Management as a _____ refers to a systematised branch of knowledge and a separate field of study. [1]
- (xi) Organisation and development of financial market has created a surge in primary and secondary capital market. [1]
Which dimension of Macro environment is referred to in this statement?
- (xii) Ms. Anamika visited a reputed dealer of electronic goods to buy a bluetooth headset. The salesman at the shop forced her to buy a particular brand of headset. [1]
Which consumer right of Anamika was violated?
- (xiii) Which barrier to communication arises when the sender and receiver interpret a message differently? [1]

SECTION B – 32 MARKS

Question 2 [4]

- (i) Decentralisation of authority implies a systematic dispersal of authority at all levels of management for decision making.

In the light of the above statement, explain *any four* merits of Decentralisation in an organisation.

OR

- (ii) Though Planning is an important function of management, it may not always give desired results.

Justify this statement by explaining *any four* limitations of Planning.

Question 3

[4]

JSW Co. purchased goods on credit from SDW Co. and paid the amount after two months. Name the short term source of finance used by the buyer and state *any three* features of this source.

Question 4

[4]

The capital structure of XYZ Ltd. is highly geared. Explain *any four* factors that were considered by its Finance Manager while formulating such a capital structure for the company.

Question 5

[4]

From the statements given below, identify and briefly explain each principle of management by Henri Fayol.

- (i) A place for everything and everything in its place
- (ii) Absence of nepotism and favouritism

Question 6

[4]

Ms. Jasdeep, the Production Manager in a reputed manufacturing company believes in *planning* to achieve the desired goals while Mr. Philips, the Sales Manager in the same company thinks that *controlling* is the best way to achieve the desired results.

Briefly explain the relationship between the *two* functions of management highlighted above.

Question 7

[4]

Differentiate between Recruitment and Selection by giving *any four* points.

Question 8

[4]

- (i) What is *marketing research*? State *any two* features of Marketing Research.

OR

- (ii) What is *branding*? State *any two* merits of Branding.

Question 9

Mr. Deepak purchased a washing machine from a renowned E-Commerce platform for ₹ 25000. He ensured that he received a cash memo.

Unfortunately, his clothes got damaged in the first wash due to a manufacturing defect in the machine's rotator.

- (i) Mr. Deepak can be called a responsible consumer. Give *one* reason to support this statement. [1]
- (ii) Which provision under Consumer Protection Act, 2019 enables Mr. Deepak to claim a compensation for the manufacturing defect in the washing machine? [1]
- (iii) Mention *any two* points of mandatory information which E-Commerce platform must provide to a consumer. [2]

SECTION C – 32 MARKS

Question 10

- (i) Explain *any five* external factors of Micro environment that influence a business organisation. [5]
- (ii) State *any three* components of Social environment. [3]

Question 11

- (i) Ms. Rubina, a first-time investor, does not understand the difference between securities with voting rights and securities without voting rights. [5]

Give *any five* differences between the two types of securities to help her understand the difference.

- (ii) Expand UPI and briefly discuss its meaning. [3]

OR

- (i) Rajiv's daughter has secured a seat in a Law college. The college has asked for the payment of admission fee through the financial instrument payable on demand. [5]

Identify and explain the financial instrument indicated above. Can it be issued online? List *any two* of its features.

- (ii) Write a short note on Sweat Equity Shares. [3]

Question 12

- (i) Motivation is a psychological phenomenon which arises from human needs and wants. [5]

In the light of above statement, explain Maslow's theory on Motivation.

- (ii) Explain *method* as a type of Plan. [3]

Question 13

Read the case given below and answer the questions that follow.

Pooja has started a small company that manufactures steel and aluminium rods used by construction firms. She has made a large capital investment in this venture and also hired an excellent sales team. Their marketing approach is to contact the buyers directly and explain the features of their product. They have a complete control over the distribution of their products.

- (i) Identify the type of product manufactured by Pooja's company. [1]
- (ii) Briefly explain *any two* features of the product identified in subpart (i). [2]
- (iii) State the channel of distribution used by the company in the above case. [1]
- (iv) Identify and briefly discuss *any three* objectives of the element of Promotion Mix used by the Sales team in the above case. [4]