

COMMERCE

Maximum Marks: 80

Time Allotted: Three Hours

Reading Time: Additional Fifteen Minutes

Instructions to Candidates

1. You are allowed an **additional fifteen minutes** for **only** reading the question paper.
2. You must **NOT** start writing during reading time.
3. This question paper has **8 printed pages**.
4. There are **thirteen** questions in the paper. All questions are compulsory.
5. This paper is divided into **three sections: A, B and C**.
6. **Section A** has **sixteen subparts** which are very short answer questions. Each question carries 1 mark.
7. While attempting **Multiple Choice Questions** in Section A, you are required to **write only ONE option as the answer**.
8. **Section B** has **eight questions** which are short answer questions. Each question carries 4 marks.
9. **Section C** has **four questions** which are long answer questions. Each question carries 8 marks.
10. **Internal choices** have been provided in **two questions in Section B** and in **one question in Section C**.
11. The intended marks for questions are given in brackets [].

Instruction to Supervising Examiner

1. Kindly read **aloud** the Instructions given above to all the candidates present in the examination hall.

SECTION A – 16 MARKS

Question 1

- (i) Due to the ongoing festival season, Aarna Foods Ltd. is experiencing shortage of manpower in one of its outlets. To overcome this shortage, one of the managers proposes implementing horizontal mobility of employees within the company. [1]

Which source of recruitment has been recommended in this instance?

- (a) Direct recruitment
- (b) Transfer
- (c) Promotion
- (d) Campus recruitment

(ii)



(Source (edited): www.google.com)

The image shown above illustrates the growth in Gross Domestic Product (GDP) of India and the United Kingdom.

How would this directly impact the businesses in India?

- (P) It would lead to an increase in Foreign Direct Investment.
 - (Q) It would lead to a better development of infrastructure.
 - (R) It would change the demographics of the society.
 - (S) It would bring a change in social customs and traditions.
- (a) Only (P) and (Q)
 - (b) Only (Q) and (R)
 - (c) Only (P) and (R)
 - (d) Only (R) and (S)
- (iii) The use of borrowed funds to increase the earnings of Equity shareholders is known as _____. [1]
- (a) Capital structure
 - (b) Earnings per share
 - (c) Return on investment
 - (d) Trading on Equity

- (iv) In order to help the nation combat the growing water crisis, Tata Steel plans to cut its freshwater consumption. [1]

(Source (edited): Economic Times: Jul 04, 2024, 10:09:00 AM IST)

Hence, it can be said that Tata Steel intends to:

- (a) tap useful resources.
 - (b) make first mover advantage.
 - (c) understand early warning signal.
 - (d) focus on customer needs.
- (v) Identify the consumer right emphasised in the image shown below. [1]



(Source (edited): www.googleimages.com)

- (a) Right to be Heard
 - (b) Right to Consumer Education
 - (c) Right to Seek Redressal
 - (d) Right to Choose
- (vi) With reference to types of Market, select the odd one out from the following. [1]
- (a) Capital Market
 - (b) Commodity Market
 - (c) Spot Market
 - (d) Money Market
- (vii) Given below are two statements marked Assertion and Reason. Read the statements carefully and choose the correct option. [1]
- Assertion:** Motivation may be positive or negative.
- Reason:** Employees react differently to financial and non-financial incentives given by the organisation.
- (a) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.
 - (b) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.
 - (c) Assertion is true but Reason is false.
 - (d) Both Assertion and Reason are false.

(viii) Study the relation between the first and the second words / terms given below and fill in the fourth word / term on that basis.

(a) RTGS: Real time :: NEFT: _____ [1]

(b) Micro Environment: Strength :: Macro Environment : _____ [1]

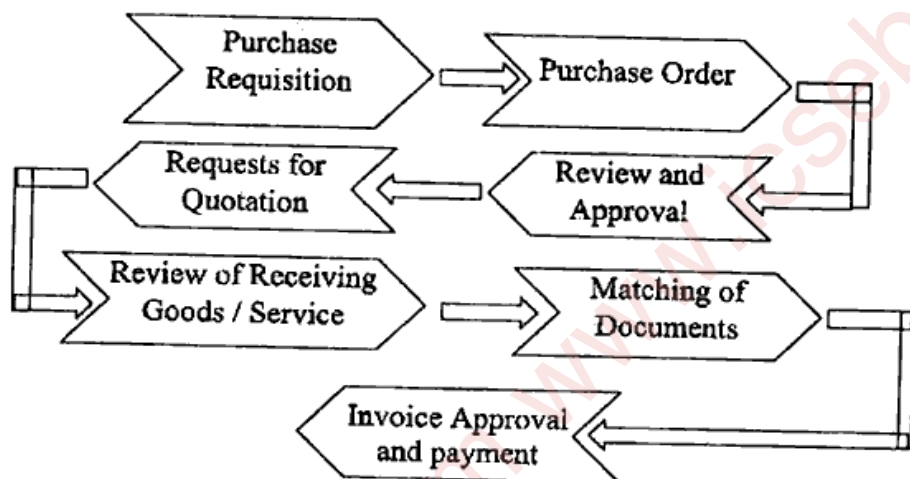
(ix) State whether the following are True or False.

(a) One of the functions of middle-level management is to interpret the policies formulated in an organisation. [1]

(b) The principle of Unity of Direction makes a subordinate accountable to one superior only. [1]

(x) Priya works as Product Head in a company. Shown below is the sequence of steps that she follows while purchasing raw material. [1]

Identify the type of plan followed by Priya.



(xi) Mohan sold a long-term debt instrument to Sohail without a formal transfer deed. Name the type of long-term debt instrument referred to above. [1]

(xii) Which element of promotion mix does the image shown below represent? [1]



(xiii) According to the economic survey, behavioural economics can be deployed by the government for bringing about social change. Government initiatives ranging from Swachh Bharat to Sundar Bharat and tax evasion to tax compliance have brought in concrete reforms. [1]

(Source (edited): <https://www.indiabudget.gov.in>)

What type of plan is initiated by the government in the above scenario?

- (xiv) The pyramid given below shows Maslow's theory of Hierarchy of Needs. Fill in the need denoted by '?'. [1]



SECTION B – 32 MARKS

Question 2

State *any four* differences between Block capital and Circulating capital. [4]

Question 3

Soft Skin Private Ltd. purchased a new machinery that cost ₹ 10 lakhs. It made a down payment of ₹ 2 lakhs at the time of delivery. The remaining amount of ₹ 8 lakhs was to be paid with interest, over a period of time.

Name and explain the short term source of finance used by Soft Skin Private Ltd. [4]

Question 4

(i) With reference to Controlling as a function of management, explain the following concepts.

(a) Critical point control [2]

(b) Control by exception [2]

OR

(ii) Explain *any four* points on the importance of Management. [4]

Question 5

Consider the two situations described below at LM Ltd. [4]

- The company aimed to increase its profits in the next financial year. Viveck, an employee, developed an attractive plan for reducing cost in the production process of the company. However, the management was not open to considering suggestions from its employees.
- The company terminated many employees during their probation period without giving them any substantial reason. This resulted in labour turnover.

Identify and explain the *two* principles of management, as laid down by Henri Fayol, that have been violated by LM Ltd.

Question 6**[4]**

Delegation is a process whereby certain executive functions, responsibilities and authority are assigned to some subordinates. In the light of this statement, explain *any four* points on the importance of Delegation.

Question 7**[4]**

You are a Human Resource Manager in a company that produces chemicals.

Name and explain *any two* types of training that you will plan for the new employees hired to work in the chemical factory.

Question 8

Samantha purchased a book online for ₹ 150 from a popular publisher. After the delivery of the book, she found that the book was sold at different prices on different websites. She approached the consumer forum and filed a case against the publisher from whom she had purchased the book.

- (i) Mention *any one* responsibility of a consumer which was fulfilled by Samantha. **[1]**
- (ii) Does she need to pay a fee to file a complaint under the Consumer Disputes Redressal Commission? Give a reason. **[1]**
- (iii) Which redressal mechanism can Samantha approach to file a complaint against the publisher? State its composition. **[2]**

Question 9**[4]**

- (i) Marketing comprises various functions. Explain *any four* facilitating functions of Marketing.

OR

- (ii) Place mix is a crucial component of Marketing Mix. Explain *any four* channels of distribution used in the Place Mix.

SECTION C – 32 MARKS

Question 10

- (i) 'Lok Sabha elections, 2024 were a testimony to the dedication of voters, political parties, candidates, election personnel and security forces... The active participation of the electorate highlighted the resilience and vibrancy of Indian democracy.' [5]

(Source: www.india.gov.in)

Which factor of Macro environment is being referred to here? State *any four* of its components.

- (ii) Elaborate on *any three* qualities of a good leader. [3]

Question 11

- (i) Meera works as Chief Finance Officer in a company. She is required to arrange funds of ₹ 50 lakhs for the company. While the promoters prefer to procure this amount through borrowed funds, Meera firmly believes that issuing equity shares is a better option. [5]

State *any five* reasons that Meera can give to persuade the Board of Directors for issuing equity shares.

- (ii) Rohit went to a cafe with his friends. He used a card for the payment at the cafe. After swiping the card, he received a message that amount had been deducted from his savings account. [3]

What type of card was used by him for payment? State *any two* features of this card.

OR

- (i) Listed companies often reward existing shareholders through the issue of following additional shares: [5]

- (a) By capitalising undistributed profits
(b) Allowing the existing shareholders exercise their preemptive right

Identify the shares referred to in subparts (a) and (b). State *any three* differences between them.

- (ii) Rashi bought clothes from her prepaid account on Amazon app. The app had prestored her personal information such as name, shipping address, bank details etc. which made purchasing a smooth experience. [3]

Identify the mode of payment used by Rashi. Briefly explain it.

Question 12

- (i) The consumer is the king of market. Generally, all decisions in a business are made keeping the consumer in mind. In this context, describe *any five* features of Marketing. [5]
- (ii) What is *labelling*? Mention *any two* of its advantages. [3]

Question 13

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

Asha, a Project Manager at a software development company, is leading a team of ten members from diverse backgrounds and locations. The team is working on an important project with a tight deadline.

Asha finds it difficult to achieve the target within the stipulated deadline due to the following challenges:

- Team members are located in different time zones which makes communication difficult.
- Some team members have limited English proficiency, which leads to misunderstanding.
- The team uses multiple communication tools which causes confusion and information overload.
- There are conflicting work styles and priorities among the team members.
- Asha circulates a review sheet among the team members after every meeting, but she often does not receive a response to it.

- (i) Name *any two* barriers to communication faced by Asha. [2]
- (ii) Discuss *any four* strategies that Asha can deploy to mitigate these barriers and ensure effective communication among her team members. [4]
- (iii) 'Asha circulates a review sheet among the team members after every meeting, but she often does not receive a response to it.' Which element of communication process is negated by the team members? How does it impact the process of communication? [2]