

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 **7 printed pages** and **one blank page**.
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) In recent years, the street vendors have begun to accept UPI as a mode of payment. The feature of business environment indicated here is: [1]
- (a) inter-relatedness
 - (b) relativity
 - (c) diversity
 - (d) dynamism

- (ii) With reference to dimensions of business environment, select the odd one out from the following. [1]
- (a) Suppliers of raw materials
 - (b) Changes in technology
 - (c) Competition with other companies
 - (d) Change in consumer preferences

- (iii) In 2021, Arun Singhal, the CEO of India's food regulator, FSSAI said, "Consumers should be aware of the food that they are consuming and that can be ensured through labelling.... From November onwards, disclosures about (sodium, sugar and fat) per serving will be mandatory." [1]

(Source(edited): <https://m.economictimes.com>)

Which consumer rights are being protected by the new regulations of FSSAI?

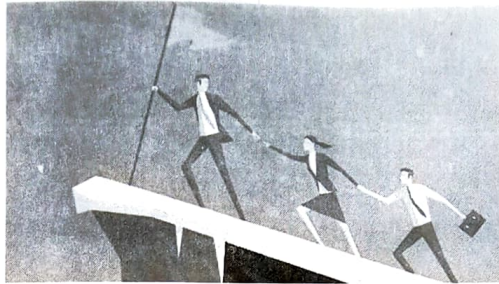
- (P) Right to Information
 - (Q) Right to Be Heard
 - (R) Right to Safety
 - (S) Right to Seek Redressal
- (a) Only (P) and (Q)
 - (b) Only (Q) and (R)
 - (c) Only (P) and (R)
 - (d) Only (R) and (S)
- (iv) Paryavaran Ltd. focuses on sustainable development by following a 'zero waste policy'. [1]

Which internal factor of micro environment is referred to here?

- (a) Mission and objectives
- (b) Human resources
- (c) Power structure
- (d) Customer focus

(v) Which element of directing is shown below?

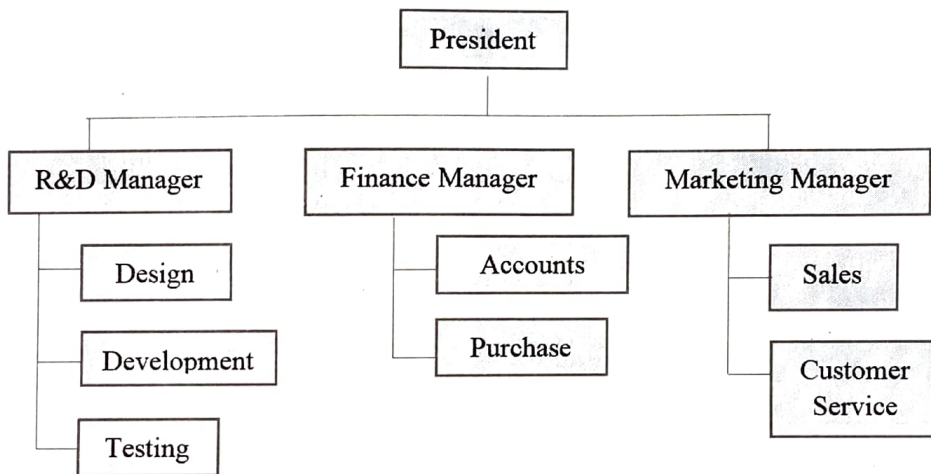
[1]



(Source: www.googleimages.com)

- (a) Leadership
 - (b) Motivation
 - (c) Supervision
 - (d) Communication
- (vi) Identify the organisation and the type of structure shown below.

[1]



- (a) Informal organisation and Divisional structure
 - (b) Informal organisation and Functional structure
 - (c) Formal organisation and Divisional structure
 - (d) Formal organisation and Functional structure
- (vii) Given below are two statements marked Assertion and Reason. Read the statements carefully and choose the correct option.

[1]

Assertion: Marketing aims to earn profit through customer satisfaction.

Reason: Marketing begins before production of goods and ends with sale.

- (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 and Reason is false.
- (d) Both Assertion and Reason are false.

- (viii) Study the relation between the first and the second words given below and fill in the fourth word on that basis. [1]
- (a) Universal validity : Science :: Creativity : _____ [1]
- (b) Positive process: Recruitment :: Negative process: _____ [1]
- (ix) State whether the following are True or False. [1]
- (a) As a facilitating function of marketing, packaging helps to protect the product. [1]
- (b) According to Henri Fayol, the principle of **harmony not discord** states that there should be healthy cooperation between employees and the employer. [1]
- (x) The data given below shows that the capital structure of ABC Ltd. is _____ geared. [1]

ABC Ltd.

DEBT	EQUITY
60%	40%

- (xi) The profit of Kriti Ltd. is ₹ 90,000 for the current financial year. Study the data of Kriti Ltd. given below and answer the question that follows. [1]

Security	Yield
Interest on Debenture	₹ 10,000
Dividend on Preference shares	₹ 10,000
Dividend on Equity shares	₹ 30,000

_____ and equity shareholders will have a share in ₹ 40,000.

- (xii) Identify the document shown in the image below. [1]

DD NUMBER → 1563861 0000020000: 000569 16

(Source(edited): Quora.com)

- (xiii) Pizzas & Shakes, a famous fast-food chain, has been facing stagnant demand. To overcome this, the management decides to offer discounted meals during the forthcoming festival season. [1]
- Which element of promotion mix has been used by Pizzas & Shakes?
- (xiv) Management is required in **all** types of organisations and at **all** levels. [1]
- Which characteristic of management is highlighted in this statement?

SECTION B – 32 MARKS

Question 2

[4]

As a Finance Manager, outline *any four* factors you would consider while determining working capital needs of the organisation.

Question 3

[4]

Food and grocery delivery company, Swiggy announced a programme before its Initial Public Offering (IPO). This programme allows employees to buy a portion of their company stock option for a combined total of up to \$65 million.

(Source (edited): <https://www.business-standard.com>)

Identify and explain the financial incentive given to the employees.

Question 4

[4]

Siddhi works in a private company. One of her main responsibilities is to develop the company's goals and strategies.

What managerial level is Siddhi employed at? Name *three* more responsibilities that she needs to fulfil at this level.

Question 5

- (i) When employees are specialised in their tasks, their efficiency increases resulting in an increased output. Name and briefly explain the principle given by Henri Fayol that supports the above statement. [2]

- (ii) Some employees strive to fulfil their individual goals rather than achieving the objectives of the organisation. [2]

Which principle of Henri Fayol can be applied to change the mindset of such employees? Briefly explain this principle.

Question 6

[4]

- (i) Rajan has a small size business. He aims to increase his market share by 25% in the next three years.

Specify the type of plan chosen by Rajan. Illustrate *any three* of its features.

OR

- (ii) In an organisation, there exists a network of social relationships among employees of different departments.

Identify the type of organisation referred to here. State *any three* of its merits.

Question 7

You are the Manager at Keya Pvt. Ltd. You have to select a Chartered Accountant for the company. [4]

Explain the **next four** steps in the Selection Procedure that you will follow after receiving the application blank.

Question 8

Annie purchased a car for ₹ 1 crore from a showroom on May 7, 2023. Within few days, she noticed that its speedometer was not giving accurate results. [4]

Which consumer forum can Annie approach to file a complaint? Suggest *any three* remedies that the consumer forum can provide to Annie.

Question 9

(i) What is *product mix*? Explain *any three* elements of product mix. [4]

OR

(ii) Highlight the importance of Marketing by giving *any four* reasons.

SECTION C – 32 MARKS

Question 10

(i) Name and explain the technique used by a business organisation to diagnose and analyse its micro and macro environment. [5]

(ii) Discuss how Coordination is embedded in Planning, Organising and Staffing functions of management. [3]

Question 11

(i) Ramanpreet is a cautious investor who wants to invest ₹ 1,00,000 for ten years in a debt security offered by a company. [5]

Which debt security should Ramanpreet invest in? Explain *any four* of its features.

(ii) Differentiate between Credit card and Debit card on *any three* bases. [3]

OR

(i) A company's decision to retain profits for reinvestment rather than distribute them as dividends can prove to be a double-edged sword for the company. Justify this statement by discussing *any three* merits and *any two* demerits of retained earnings. [5]

(ii) Write a short note on Digital Banking. [3]

Question 12

- (i) Several factors influence the price of a product. Explain *any five* of these factors. [5]
- (ii) Explain *any three* features of a service which is offered for sale. [3]

Question 13

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

XYZ Company had planned to increase its profit margin by 30% in the current financial year. But it could not achieve the set target in the first quarter of the year due to cases of theft by employees. The Board of Directors formulated a policy of 'zero tolerance' for theft. To prevent such cases, it was decided to install CCTV cameras in the rooms where the expensive products were stored.

The team of Senior Managers communicated the same to all the employees of the organisation. The decisions were implemented and instructions were given to the concerned departments to impose a penalty if an employee was found guilty. The Human Resource department incorporated the same in the employee handbook.

- (i) Explain *any two* steps of Controlling highlighted in the above case. [2]
- (ii) With reference to the above case, mention *any two* objectives of Communication. [2]
- (iii) Provide *any four* points to highlight the importance of Controlling. [4]