2023

QUESTION PAPER

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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.*

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*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) The type of plan considered as a guide to decision making in repetitive situations is called: **[1]**

(a) Policy.

(b) Rule.

(c) Programme.

(d) Strategy.

(ii) ABC company plans to capitalise its undistributed profits. Which one of the following shares will the company issue to its existing shareholders? **[1]**

(a) Rights Shares

(b) ESOP

(c) Sweat Equity Shares

(d) Bonus Shares

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(iii) When XYZ company acquired a toy manufacturing company, it paid a large amount for the goodwill. Which source of business funds of XYZ company was impacted? [1]

(a) Fixed capital.

(b) Special Working capital.

(c) Circulating capital.

(d) Gross Working capital.

(iv) Rita wants to transfer her first salary to her mother's bank account through RTGS. What is the minimum amount that she can transfer through RTGS? [1]

(a) ₹ 50,000

(b) ₹ 2,00,000

(c) ₹ 1,00,000

(d) ₹ 20,000

(v) Which one of the following is **NOT** a component of the legal environment? [1]

(a) Acts passed by the government.

(b) Political stability in the country.

(c) Decisions taken by various commissions.

(d) Verdict given by the court.

(vi) The changes in technology and the tastes and preferences of consumers cannot be predicted. Which feature of business environment is highlighted here? [1]

(a) Non-controllable

(b) General and Specific forces

(c) Interrelatedness

(d) Uncertainty

(vii) State whether the following are True or False. [4]

(a) When Equity Shares dominate the capital structure, the capital is considered as high geared.

(b) The organisational structure and the composition of the board of directors, are one of the internal factors of micro environment of a business organisation.

(c) A market where products are transferred immediately from seller to buyer is called a future market.

(d) Inventory control is not an element of Physical distribution.

(viii) _____ is not a separate function but the essence of Management. [1]

(ix) A _____ is a comprehensive plan designed to implement the policies and accomplish the objectives of an organisation. [1]

(x) Deepti and Sudha are managers in ABC Ltd. and are working together on a project. They report to Mrs. Verma, a Senior Manager. Sudha asks Deepti to submit a report on the project to her without informing Mrs. Verma. Which Principle of Management is not followed in this case? [1]

(xi) A wholesaler sold adulterated goods which were hazardous to the customers' health. [1]

Which consumer right was violated in this case?

(xii) Which force exerts a direct and immediate influence on the working of a business organisation? [1]

(xiii) Assertion : Marketing and Selling are not synonymous with each other. [1]

Reason : Selling is narrow in scope, whereas Marketing is wide.

(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.

SECTION B – 32 MARKS

Question 2 [4]

(i) Planning is of vital importance in the managerial process. Give *any four* reasons to support this statement.

OR

(ii) Directing is the heart of management process. Give *any four* reasons to support this statement.

Question 3 [4]

Ratan Ltd. needs to raise funds from the financial market and hence, considers issuing equity shares. State *any four* reasons to explain why this source of raising funds is considered by the company.

Question 4 [4]

Explain *any two* advantages and *any two* disadvantages of Public deposits.

Question 5 [4]

Discuss *any four* objectives of Management.

Question 6 [4]

Explain *any four* differences between *training* and *development*.

Question 7 [4]

Briefly explain the following terms:

(i) Management by Exception

(ii) Span of Control

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Question 8 [4]

A patient suffering from high fever was hospitalised for few days. During the treatment, he was given an injection which caused a permanent nerve damage resulting in paralysis. The cost of treatment was ₹ 2,00,000 which was disputed by the patient's family.

Which consumer dispute redressal authority can be approached by the patient's family? Explain *any three* rights of the consumers.

Question 9 [4]

(i) Explain *any four* points on the need for Consumer Protection.

OR

(ii) Explain *any four* features of Advertising.

SECTION C – 32 MARKS

Question 10

(i) Explain *any five* internal factors of micro environment that influence a Business Organisation. [5]

(ii) What is meant by *technological environment*? Explain *any two* components of Technological Environment. [3]

Question 11

(i) What are *preference shares*? Give *any four* types of Preference shares. [5]

(ii) State *any three* advantages of e-banking to customers. [3]

OR

(i) What are *retained earnings*? Explain *any four* disadvantages of Retained Earnings. [5]

(ii) State *any three* differences between a debit card and a credit card. [3]

Question 12

(i) Controlling is a systematic process involving a series of steps. Explain these steps of Controlling. [5]

(ii) Give *any three* differences between Centralisation and Decentralisation. [3]

Question 13

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

Spice and Cheese Burgers has various outlets to sell burgers and deal with the customers directly. This channel of distribution was adopted by the organisation keeping in mind the nature of the product. In order to boost its sales, the management decides to introduce 'Buy one Get one free' offer to its customers.

(i) Identify the channel of distribution used by Spice and Cheese Burgers. [1]

(ii) Briefly explain the channel of distribution identified in (i) above. [2]

(iii) Which element of promotion mix is highlighted in the above case? [1]

(iv) State *any four* objectives of the element of promotion mix identified in (iii) above. [4]

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