

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) Tara Ltd. provides medical insurance to all its employees as a part of their compensation package. [1]
- According to Maslow's theory, which one of the following needs of the employees is fulfilled by Tara Ltd.?
- (a) Social
 - (b) Safety
 - (c) Esteem
 - (d) Physiological
- (ii) The sales team at Nikhar Beauty observed a decline in the customer's interest. The marketing manager decided to adopt a creative approach to address the issue. He designed a unique social media campaign and created 'vlogs' (video clips) wherein customers shared their views and experiences. [1]
- Which aspect of the nature of management is evident in the approach adopted by the marketing manager?
- (a) Management as a Science
 - (b) Management as a Profession
 - (c) Management as an Art
 - (d) Management as a Discipline
- (iii) Libas is an omnichannel brand that manufactures, designs, and sells women's apparel through its own website, exclusive brand outlets, and online marketplaces such as Myntra and Amazon. It operates under names like Libas, Gerua etc. [1]

(Source (edited), <https://trilegal.com/>, 31st May, 2024)

Identify the different channels of distribution used by Libas.

- (P) Zero level
 - (Q) One level
 - (R) Two level
 - (S) Three level
- (a) Only (P) and (Q)
 - (b) Only (Q) and (R)
 - (c) Only (R) and (S)
 - (d) Only (Q) and (S)

- (iv) Dairy Dream is a company that sells milk, cheese, and yogurt. It ensures the freshness of these food items by using the First-In-First-Out (FIFO) method of stock management. Old stock is sold first, while new stock is stored in inventory. [1]

With reference to Inventory Management, identify the element of marketing mix used by Dairy Dream.

- (a) Product mix
 - (b) Price mix
 - (c) Place mix
 - (d) Promotion mix
- (v) The management at XYZ Ltd. heavily invests in upgrading techniques of production. It conducts marketing research at regular intervals and discards obsolete technological products. [1]

Which one of the following **BEST** describes the approach of the management at XYZ Ltd.?

- (a) It focuses only on cost reduction.
 - (b) It aims to improve its public image.
 - (c) It wants to stay ahead of its rivals.
 - (d) It wants to lead the market with innovative products.
- (vi) Given below are two statements marked Assertion and Reason. Read the two statements carefully and choose the correct option. [1]

Assertion: Delegation of authority reduces the workload of managers.

Reason: It allows the managers to focus on strategic activities by assigning the routine work to subordinates.

- (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.
- (vii) With reference to Equity Shares, select the odd one out. [1]
- (a) Ownership securities
 - (b) Fixed dividend
 - (c) Share in residual profits
 - (d) Participation in management

- (viii) State whether the following are True or False:
- As a function of management, Planning increases the cost significantly as it involves research, analysis, and utilisation of manpower. [1]
 - Critical point control narrows down focus and intervention to key result areas. [1]
- (ix) In recent times, a software application has been developed that securely stores digital money and personal data of the user, thereby allowing seamless transaction of electronic funds. [1]
- What mode of digital banking has been referred to above?
- (x) Jasdeep purchased a new car worth ₹9 lakhs and paid ₹1 lakh to the car dealer. She asked him to accessorise it with an enhanced music system and velvet seat covers. The car dealer told Jasdeep to pay the remaining amount after customisation. [1]
- Identify the short-term source of capital used by the car dealer.
- (xi) Study the relation between the first pair and complete the analogy.
- Luxury electronic watch: Price skimming :: Mass market consumer goods: [1]
 - Goods and Services Tax: Economic environment :: Consumer Protection Act 2019: [1]
- (xii) A cement manufacturing company plans to raise ₹100 crores by offering Equity Shares to financial institutions. [1]
- Name the capital raising method considered by the cement manufacturing company.
- (xiii) Given below is a poster put up in a library. Identify the type of plan depicted by it. [1]
- DOS and DON'TS**

 1. Quiet please!
 2. Put your mobile phone on silent mode.
 3. No food or drink is allowed in the library.
 4. Keep the library clean.
 5. Put the books in correct order in shelves.
- (xiv) A couple sued an airline and its regional manager after they failed to allot them seats on a flight despite having paid extra for seat selection. The consumer court directed the airline to give a compensation of ₹25,000 and a refund of seat selection charges to the couple. [1]
- Name the consumer right exercised by the couple.

SECTION B - 32 MARKS

Question 2

[4]

Shubhi has to transfer ₹1 lakh to her son's account who is pursuing a course in engineering in Mumbai. She considers NEFT for transferring funds.

Discuss *any four* features of the method of fund transfer considered by Shubhi.

Question 3

[4]

- (i) A company has five hundred workers. The management has created a structure in which each worker has a clearly defined role and responsibility.

Identify the type of organisation described above. State *any three* of its features.

OR

- (ii) Global Designs Ltd. organised a virtual meeting of its head office in Mumbai and its overseas branch in France. During the discussion, the manager of the overseas branch used some French words and phrases that the Indian staff could not understand.

Identify the barrier that hampered communication in the above scenario. Explain *any three* other barriers to communication.

Question 4

[4]

At Vision Ltd., the CEO always consults her team before taking any major decision. On the contrary, the CEO at Mica Ltd. gives strict instructions to her subordinates and expects them to follow without questioning.

What types of leadership styles are reflected at Vision Ltd. and Mica Ltd.? Briefly explain each of them.

Question 5

With reference to the Principles of Scientific Management advocated by F.W. Taylor, briefly explain the principles illustrated in subparts (i) and (ii).

- (i)

[2]



Image 1



Image 2

(ii)

Bonus given to the employees at Heel & High Ltd.

[2]

Year	Profit (in %)	Bonus (in %)
2020 - 21	50	10
2021 - 22	55	12
2022 - 23	65	25
2023 - 24	70	35
2024 - 25	80	40

Question 6

[4]

Blossom Ltd. is a newly established company which faces a challenge of raising additional capital from the public for its long-term needs. Therefore, it approaches SIDBI and SFCs, for support.

Evaluate *any two* advantages and *any two* disadvantages to Blossom Ltd. of raising capital through financial institutions mentioned above.

Question 7

[4]

- (i) Pep-up Beverages introduced fruit juices in tetra packs which displayed the brand's name, ingredients, nutritional value, expiry date, and price. It also mentioned 'No Added Sugar' to attract health-conscious buyers.

State *any four* merits of the facilitating marketing function indicated in the above scenario.

OR

- (ii) Samsung sells mobiles, televisions, laptops and other electronic products under a single unique name. This has led to an increase in its market share.

With reference to the above context, discuss *any four* benefits of the facilitating marketing function.

Question 8

[4]

Consumer protection is a necessity in today's business environment. Justify the statement by giving *any four* reasons.

Question 9

[4]

The Board of Directors at Meet & Geet Ltd. takes all major and minor decisions which often results in a delay in execution of work. To overcome this challenge, they decide to disperse the authority of decision making to all the levels of management.

Analyse *any four* ways in which this change will benefit Meet & Geet Ltd.

SECTION C – 32 MARKS

Question 10

- (i) Discuss *any five* points highlighting the importance of business environment. [5]
- (ii) Explain *any three* points on the relevance of objectives of management. [3]

Question 11

- (i) Name the hybrid security that carries a fixed rate of dividend and is a source of long-term finance for a company. Explain *any four* types of such security. [5]
- (ii) Mr. Yang wants to invest ₹30 lakhs in his company. His manager advises him to invest 40% in capital that changes its form and remaining 60% in capital that does not change its form. [3]

Identify the types of capital advised by the manager. State *any two* differences between these types of capital.

OR

- (iii) Describe *any five* factors that a business organisation considers while determining its debt-to-equity ratio. [5]
- (iv) Kriya Ltd. wants to issue fully paid-up shares to its existing shareholders, whereas Aakash Ltd. plans to issue new shares to its existing shareholders for increasing the subscribed capital of the company. [3]

Name the types of securities which Kriya Ltd. and Aakash Ltd. want to issue. Contrast these securities on *any two* bases.

Question 12

- (i) Explain *any five* objectives of Marketing. [5]
- (ii) Discuss *any three* marketing functions of Exchange. [3]

Question 13

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

Maria, an MBA from a foreign university, quit her job in multinational corporation and decided to start a tea business by using organic products. She researched on the commercial viability of the business, existing tea producing companies in India and the prospective consumers. She created a business plan and approached the financiers to raise funds.

On receiving funds, she established a small company and hired an HR Manager whose prime responsibility was to recruit suitable candidates. He was required to select personnel and assign job profiles as per their specialisation and experience. His role also entailed acquainting them with the service rules, order of hierarchy and entitlements.

- (i) Identify the steps of planning followed by Maria in the above case. [2]
- (ii) Suggest *any two* suitable sources of recruitment that the HR Manager can adopt in the above case. [2]
- (iii) Discuss *any four* points on the relevance of Staffing for Maria's company. [4]

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