

COMMERCE

(Three hours)

Maximum Marks: 80

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

They must NOT start writing during this time.)

Answer Question 1 from Part I and five questions from Part II

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

PART I (20 Marks)

Answer all questions.

Question 1

[10×2]

Answer briefly each of the questions (i) to (x):

- (i) What is *micro environment*?
- (ii) Give *two* merits of delegation.
- (iii) What is meant by *packaging*?
- (iv) Give *two* kinds of electronic funds transfer.
- (v) “An attempt to control everything may end up in controlling nothing”. Explain.
- (vi) Explain the term *labelling*.
- (vii) Give *two* differences between a debit card and a credit card.
- (viii) Name the elements of directing.
- (ix) State *two* disadvantages of debentures from the company’s point of view.
- (x) What is meant by *product*?

PART II (60 Marks)

Answer *any five* questions.

Question 2

- (a) What is *financial planning*? Enumerate *two* factors which bring out the importance of financial planning in a business. [3]
- (b) *Understanding the environment of the business is of immense significance*. Explain. [4]
- (c) What is price? Discuss *four* factors that determine the price of a product. [5]

Question 3

- (a) What are public deposits? Give *two* advantages of public deposits from the Company's point of view. [3]
- (b) Explain *four* long term sources of finance raised by a Joint Stock Company. [4]
- (c) What is *marketing mix*? Explain briefly the elements of marketing mix. [5]

Question 4

- (a) What are self- actualisation needs? [3]
- (b) The manager of Maxim enterprises, which deals in readymade garments is facing the problem of poor sales. Suggest and explain *four* promotional measures which can be undertaken by him to improve sales. [4]
- (c) What is meant by *working capital*? Explain the various types of working capital. [5]

Question 5

- (a) *Training increases the skill while development shapes attitudes*. Elucidate. [3]
- (b) Give *four* advantages of E-Banking. [4]
- (c) Explain the various steps in the process of control. [5]

Question 6

- (a) What is the modern marketing concept? [3]
- (b) Explain *five* factors affecting the capital structure of a company. [5]
- (c) Explain the following terms: [4]
 - (i) Channel of distribution;
 - (ii) Physical distribution.

Question 7

- (a) Mr Sharma bought a packet of spices from *Fine Spices Ltd.* On opening the packet he found worms inside it. In this context, answer the following questions: [3]
 - (i) Name the Act which can protect the interests of Mr Sharma.
 - (ii) State *any two* salient features of this Act.
- (b) Why is management considered to be an Art? [4]
- (c) Give *five* differences between *Line* and *Line and staff* form of organizations. [5]

Question 8

- (a) Explain *any three* advantages of borrowing funds from financial institutions. [3]
- (b) Give the meaning and objective of the following types of plans: [4]
 - (i) Policy
 - (ii) Budget
- (c) Define and distinguish between the terms *recruitment* and *selection*. [5]

Question 9

- (a) List *three* features of a demand draft. [3]
- (b) Explain *four* methods of consumer protection. [4]
- (c) Explain *five* ways of overcoming barriers to communication. [5]