

# GUIDELINES

(By Subrata Sir, Sunny Sir & group of ICSE and CBSE school teachers)

## COMMERCIAL STUDIES

### MOCK PAPER – 1 (2024)

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**Time: 2 hours**

**Total Marks: 80**

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#### General Instructions:

1. *Answers to this Paper must be written on the paper provided separately.*
  2. *You will not be allowed to write during the first **15** minutes. This time is to be spent in reading the question paper.*
  3. *The time given at the head of this Paper is the time allowed for writing the answers.*
  4. *Attempt **all** questions from Section A, **any 4** questions from section B.*
  5. *The intended marks for questions or parts of questions are given in bracket [ ].*
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#### SECTION A (40 Marks)

*Attempt **all** questions from this Section*

Question 1

[16]

Choose the correct answers to the questions from the given options  
(Do not copy the question. Write correct answer only)

(i) Individuals who provide physical and mental effort for an organization are known as:

- (a) Employers
- (b) Suppliers
- (c) Employees
- (d) Creditors

(ii) An offence that is committed against an individual or group of individuals with a motive to deliberately harm the reputation of the victim is called:

- (a) Intellectual Property Fraud
- (b) Internet Cyber Fraud
- (c) Insurance Fraud
- (d) Credit Card Fraud

(iii) Air transport is suitable for:

- (a) Cost effectiveness
  - (b) Speed
  - (c) Flexibility
  - (d) Safety
- (iv) It is a formal statement of estimated income and expenses based on future plans and objectives:
- (a) Budget
  - ( b) Cash flow statement
  - (c) Income statement
  - (d) None of the above
- (v) A misleading label on a product is a violation of which consumer right?
- (a) The Right to Safety
  - (b) The Right to Consumer Education
  - (c) The Right to Choose
  - (d) The Right to be informed
- ( vi) Which of these is true about training and development?
- (I) Training always leads to the development and growth of workers.
  - (II) Training adds to the skills and abilities of workers.
- (a) Only I
  - (b) Only II
  - (c) Both I and II
  - (d) Neither I nor II
- (vii)..... Means exchanging goods for money and is production oriented.
- (a) Sales
  - (b) Marketing
  - (c) Pricing
  - (d) Advertising
- (viii) .....Expenditure is incurred for meeting day to day expenses of business and its benefit is exhausted within the current accounting year.

- (a) Capital
  - (b) Revenue
  - (c) Deferred Revenue
  - (d) Capital Receipts
- (ix) Banking Regulation Act of 1949 was made for:
- (a) Reserve Bank of India
  - (b) Commercial Banks
  - (c) Government's Bank
  - (d) Bankers Bank
- (x) One of the disadvantages of Internal source of recruitment is:
- (a) Motivates employees to improve their performance.
  - (b) Simplifies the process of selection and placement.
  - (c) Frequent transfers reduce employee's productivity
  - (d) Maintain adequate workforce in an organization.
- (xi) Which of the following is a technique used for Sales Promotion?
- (a) Marketing
  - (b) Publicity
  - (c) Exchange Offers
  - (d) Personal Selling
- (xii) A cost that does not change, in total, with the change in activity is called.....cost
- (a) Variable
  - (b) Fixed
  - (c) Semi-variable
  - (d) Direct
- (xiii) Bonded Warehouse is established under a bond with the.....
- (a) Customs authority
  - (b) Private firms
  - (c) Cooperatives
  - (d) General public

(xiv) Which of these is NOT an advantage of e-commerce?

- (a) Ease of formation
- (b) Extensive use of papers
- (c) Global reach

(d) Speed

(xv) These shares DO NOT carry any special or preferential rights in the payment of annual dividend or repayment of capital.

- (a) Equity Shares
- (b) Preference Shares

- (c) Bonus Shares
- (d) None of the above

(xvi)..... is the process of increasing the general knowledge and understanding of the employee.

- (a) Training
- (b) Education
- (c) Development
- (d) Mentoring

#### Question 2

Distinguish between:-

- (i) Shareholders and Creditors as stakeholders of a commercial organization [2]
- (ii) Life insurance and health insurance. [2]
- (iii) Recruitment and Selection. [2]
- (iv) Equity shares and Preference shares. [2]

#### Question 3.

- (i) What is a credit card? [2]
- (ii) What is meant by 'Capital Receipts'? [2]
- (iii) Selection is a negative process---Explain.? [2]
- (iv) What is a 'Cash Budget'? [2]

#### Question 4.

- (i) Define training. [2]
- (ii) Give any two merits of Water Transportation? [2]

- (iii) What are Bonded Warehouses? [2]
- (iv) What is 'National Electronic Fund Transfer'? [2]

Section – B  
*Attempt **any four** questions from this Section*

Question 5.

- (i) Explain in brief the five functions of the Central Bank of a country. [5]
- (ii) Briefly discuss any five advantages of E-commerce over traditional methods of transaction.[5]

Question 6.

- (i) Explain any five techniques used in sales promotion. [5]
- (ii) Write any five expectations of the general public or society from a business enterprise. [5]

Question 7.

- (i) What is a Capital Market? Explain any two of its functions. [5]
- (ii) Give five importance of Consumer Awareness . [5]

Question 8.

- (i) Briefly discuss the different kinds of banks. [5]
- (ii) There are certain drawbacks of Sales Promotion which are a challenging task for sales promotion. Explain some such drawbacks. [5]

Question 9.

- (i) Explain any five advantages of air transport. [5]
- (ii) How does advertising benefit Wholesalers and Retailers? [5]

## Question 10

[10]

From the following Trial Balance of Shri Rai Bahadur, prepare a trading, profit and loss account for the year ended 31<sup>st</sup> March, 2012 and balance sheet on that date.

Particulars	Amount(Dr)	Amount (Cr)
DRAWINGS	4240	
PURCHASES LESS RETURNS	15610	
RATES AND TAXES	388	
SALARIES	1612	
LIGHTING AND HEATING	164	
ELECTRIC POWER	384	
COMMISSION	414	
INSURANCE	206	
ADVERTISING	214	
BAD DEBTS	62	
POSTAGE AND TELEGRAM	826	
CARRIAGE	754	
OPENING STOCK	6160	
WAGES	7962	
LAND AND BUILDING	15840	
PLANT AND MACHINERY	4034	
FURNITURE AND FITTINGS	378	
SUNDRY DEBTORS	6082	
CASH AT BANK	5268	
CAPITAL ACCOUNT		32000
SALES LESS RETURNS		34176
SUNDRY CREDITORS		4422
	70598	70598

Closing Stock as on 31<sup>st</sup> March, 2012 is Rs 8760