**Commercial Studies**

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

GUIDELINES

# Time: 2 hours Mock Paper – 2 (2023) Total Marks: 80

**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*** *and* ***any four*** *questions from* ***Section B****.*
5. *The intended marks for questions or parts of questions are given in brackets [ ]*

# SECTION A (40 Marks)

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

Question 1 **[16]**

Choose the correct answers to the questions from the given options.

(i) The ………………. lays down rules and regulations like it has to pay taxes and duties that are levied on the business.

(a) Employer

(b) Government

(c) Society

(d) Employee

(ii) The act of one individual harassing or intimidating another individual via the Internet is known as……………..

(a) Verbal bullying

(b) Social bullying

(c) Cyber bullying

(d) Physical bullying

iii) ………………. transport is said to be the oldest mode of transport.

(a) Road

(b) Railway

(c) Air

(d) Water

(iv)……………….. is a budget that is adaptable according to the changing requirements.

(a) Flexible budget.

(b) Fixed budget

(c) Basic budget

(d) Current budget

(v) Which of these is NOT a Consumer Exploitation ?

(a) Overcharging

(b) Adulteration

(c) Under-weighing

(d) Obtain cash memo

(vi) Which of these is a feature of Marketing?

(a) Identification needs and wants

(b) Customer value

(c) Creation of market offering

(d) All of the above

(vii) …………………..means exchanging goods for money and is production oriented.

(a) Sales

(b) Pricing

(c) Marketing

(d) Advertising

(viii) …………….profit is a profit which is earned on the sale of a fixed asset or profit earned on

raising capital

(a) Capital

(b) Gross

(c) Revenue

(d) Net

(ix) The …………… function of the Central bank involves settling claims of Commercial banks through a process of book entries.

(a) Monopoly of note issue

(b) Government's bank

(c) Clearing house

(d) Developmental

(x) Replacement of defective goods is an expectation of………………….

(a) Government

(b) Employee

(c) Shareholder

(d) Wholesaler

(xi) One of the advantages of external recruitment is

(a) Competitive Spirit

(b) Lengthy process

(c) Lack of co-operation

(d) Mal-adjustment

(xii) Arrange the sequence of the steps is the selection process:

I. Selection Test

II. Preliminary Screening

III. Employment Interview

IV. Reference and Background Check

(a) I, II, III, IV

(b) II, I, III, IV

(c) IV, II, III, I

(d) III, IV, I, II

(xiii) Advertising creates economies of scale for

(a) Manufacturers

(b) Customers

(c) Bankers

(d) Government

(xiv) ‘Telephone expenses’ is an example of………cost

(a) Variable

(b) Fixed

(c) Semi Variable

(d) Direct

(xv) Functions of Warehouses include:

(i) Storage of goods

(ii) Sharing the risk

(iii) Incidental services for marketing

(iv) Regulation of supply

(a) Only i

(b) Both i and ii

(c) i, ii and iii

(d) All of the above

(xvi) The use of Biometrics and CCTV come under

(a) e-tailoring

(b) e-advertising

(c) e-security

(d) e-marketing

Question 2.

Distinguise 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 31st 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 31st March, 2012 is Rs 8760