



DELHI PUBLIC SCHOOL NEWTOWN
SESSION 2024-25
MONDAY TEST

CLASS: IX
SUBJECT: COMMERCIAL STUDIES

FULLMARKS:40
DATE: 18/10/24

1. Attempt all questions.
2. The intended marks for questions or parts of questions are given in brackets []
3. This paper consists of *two* printed pages.

SECTION A

Question 1

Choose the correct answer to the questions from the given options

[1x8]

(Do not copy the question, write the correct answers only)

(i) Assertion : Purchase of raw materials in a business is considered to be an expense.

Reason : According to the rule of Real accounts, 'Debit what comes in and Credit what goes out.'

(a) Assertion is true and Reason is the correct explanation of Assertion

(b) Assertion is true and Reason is not the correct explanation of Assertion

(c) Assertion is true but Reason is false

(d) Assertion is false but Reason is true

(ii) The Matching Principle in accounting requires:

(a) Expenses to be recorded only when paid.

(b) Expenses to be recorded in the same period as the revenues they help to generate.

(c) Revenue to be recognized when cash is received.

(d) All assets to be recorded at fair value.

(iii) Which of the following is classified as a liability?

(a) Debtors

(b) Bank Overdraft

(c) Prepaid Expenses

(d) Office Equipment

(iv) The concept that assumes a business will continue to operate indefinitely is known as:

(a) Going Concern

(b) Full Disclosure

(c) Matching

(d) Entity Concept

(v) Kareem sold goods worth ₹ 2,500 to Kareena. In Kareem's books the correct journal entry will be:

(a) Debit Kareem's A/c by ₹ 2,500; Credit Sales A/c by ₹ 2,500

(b) Debit Kareena's A/c by ₹ 2,500; Credit Sales A/c by ₹ 2,500

(c) Debit Purchases A/c by ₹ 2,500; Credit Sales A/c by ₹ 2,500

(d) Debit Kareem's A/c by ₹ 2,500; Credit Purchases A/c by ₹ 2,500

(vi) Tim started his business with ₹ 50,000. Which equation should he follow to show the proper allocation of the said amount?

(a) Capital= Assets + Liabilities

(b) Capital= Assets x Liabilities

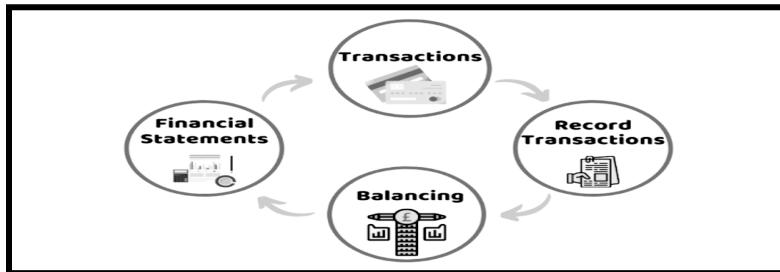
(c) Capital= Assets - Liabilities

(d) Capital= Assets / Liabilities

(vii) In a Journal the transactions are recorded in this order:

- (a) Chronological
- (b) Random
- (c) Disclosing
- (d) Arithmetical

(viii) The cycle below is followed in every commercial organization. Name the cycle.



- (a) Journal Cycle
- (b) Accounting Cycle
- (c) Book-keeping Cycle

- (d) Purchase Cycle

Question 2

(i) Explain the term 'Journal'. [2]

(ii) Rukma purchased goods on credit from Dev. How are Rukma and Dev related to each other? [2]

(iii) Trade discount and Cash discount are not the same. Justify the statement. [2]

(iv) What is the Accounting Period principle? [2]

(v) Distinguish between Book-keeping and Accounting. [2]

(vi) Name the following: [2]

- (a) These assets do not have any physical existence -
- (b) It refers to the amount of money withdrawn by the owner for his/her personal use -
- (c) It refers to the amount received by the firm on selling their commodities -
- (d) These types of assets are said to have no value -

SECTION B

Question 3

(i) Explain the meaning of Personal Accounts and Nominal Accounts. Also state the rule of Debit and Credit of these accounts. [5]

(ii) Write short notes on the following principles of accounting with an example of each: [5]

- (a) Business Entity Concept
- (b) Money Measurement Concept

Question 4

(i) What is a Liability? Explain any two types of Liabilities with an example of each. [5]

(ii) Journalize the following transactions in the books of Rama for the month of April 2024:

01.04.2024: Commenced business with ₹ 50, 000.

03.04.2024: Purchased goods worth ₹ 3,000 from Rex in cash.

05.04.2024: Purchased a typewriter worth ₹ 10,000 and paid by cheque.

07.04.2024: Sold goods for ₹ 1,500

09.04.2024: Bought stationery worth ₹ 950. [5]