

COMMERCIAL STUDIES

Maximum Marks: 80

Time allowed: Two hours

Answers to this Paper must be written on the paper provided separately.

*You will **not** be allowed to write during the first 15 minutes.*

This time is to be spent in reading the question paper.

The time given at the head of this Paper is the time allowed for writing the answers.

Attempt all questions from Section A and any four questions from Section B.

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

Choose the correct answer to the questions from the given options. [16]

(Do not copy the questions, write the correct answers only.)

(i) Expenses incurred for construction of a building are classified as:

- (a) Revenue Expenditure
- (b) Capital Expenditure
- (c) Deferred Revenue Expenditure
- (d) Miscellaneous Expenditure

(ii) Which *warehouses* are generally located in rural and suburban areas where space is available at low cost?

- (a) Public
- (b) Bonded
- (c) Cold Storage
- (d) Private

This paper consists of 7 printed pages and 1 blank page.

(iii) The *module* used for tracking of the stock of items in an organisation is:

- (a) Inventory module
- (b) Purchase module
- (c) Sales module
- (d) Finance module

(iv) *Closing stock* appears in the Final Accounts in the:

- (a) Trading account only
- (b) Profit and Loss account and Balance Sheet
- (c) Balance Sheet only
- (d) Trading account and Balance Sheet

(v) These posters are examples of:



- (a) Sales promotion
- (b) Marketing
- (c) Selling
- (d) Social advertising

(vi) A social security scheme in which both employer and employee contribute 10% of the basic wages every month is:

- (a) Gratuity
- (b) Pension
- (c) Provident Fund
- (d) Group Insurance

(vii) Which of these is an objective of *Pricing*?

- (a) Profit maximization
- (b) Human Resource Management
- (c) Checking inventory
- (d) Fairs and exhibitions

(viii) Ramu is a labourer working in ‘ABC Constructions’. His *expectations* from his company are:

- 1. Appreciation of Capital invested.
 - 2. Timely payment of wages.
 - 3. Timely payment of interest.
 - 4. Safe working environment.
- (a) 1 and 4
 - (b) 2 and 3
 - (c) 3 and 4
 - (d) 2 and 4

(ix) Rahim has given a loan of ` 5 lakhs to a fertilizer company. The company pays him interest regularly and the company has promised to return his amount after 5 years. Rahim has invested in:

- (a) Equity shares
- (b) Preference shares
- (c) Debentures
- (d) Ownership securities

(x) A budget is a statement that can be expressed:

- (a) in monetary units only
- (b) both in monetary terms and physical units
- (c) in physical units only
- (d) as an estimate of events only

- (xi) Which sales promotion technique includes training in stores layout, product demonstration, advertising, etc.?
- (a) Fairs and Exhibitions
 - (b) Prize Contests
 - (c) Merchandising Aids
 - (d) Trading Stamps
- (xii) Under which right will Mr. Mohit get a compensation for a faulty product?
- (a) Right to seek redressal
 - (b) Right to information
 - (c) Right to consumer education
 - (d) Right to choose
- (xiii) Faking accidents, faking death, concealing information for health care are examples of _____ fraud.
- (a) Insurance
 - (b) False Accounting
 - (c) Credit Card
 - (d) Internet and Cyber
- (xiv) A voluntary payment made by an employer to an employee who retires after long and dedicated services is _____.
- (a) Pension
 - (b) Group insurance
 - (c) Gratuity
 - (d) Provident fund

(xv) Mr. 'P' has been selected for a mission to go to the moon. Before he goes into space he is trained to survive in 'Zero Gravity'. Identify the training used.

- (a) Job rotation
- (b) Apprenticeship
- (c) Classroom
- (d) Vestibule

(xvi) A firm manufactures defense equipment. In order to ensure that only authorized personnel enter the secured area they install a high-tech retina scanner.

What does the above portray?

- (a) E-advertising
- (b) E-security
- (c) E-commerce
- (d) E-marketing

Question 2

Write *any two* differences between:

- (i) Marketing and Sales [2]
- (ii) Internal stakeholders and External stakeholders [2]
- (iii) Shares and Debentures [2]
- (iv) Recruitment and Selection [2]

Question 3

- (i) What are Preference Shares? [2]
- (ii) What is Cash Credit? [2]
- (iii) What is a Central Bank? [2]
- (iv) What is Fire Insurance? [2]

Question 4

- (i) What is a Master budget? [2]
- (ii) What is a Capital Market? [2]
- (iii) What is Variable cost? Give *one* example. [2]
- (iv) What are Campus Interviews? [2]

SECTION B (40 Marks)

*(Attempt **any four** questions from this Section.)*

Question 5

- (i) Explain in brief *any five* objectives of Marketing. [5]
- (ii) Write short notes on:
 - (a) Life insurance
 - (b) NEFT

Question 6

- (i) What are Industrial Relations? State *any three* objectives of Industrial Relations. [5]
- (ii) Write short notes on:
 - (a) Central Pollution Control Board (CPCB)
 - (b) Equity shares

Question 7

- (i) Explain in brief *two* merits and *three* demerits of Water transport. [5]
- (ii) 'Rita' was using a plastic card to withdraw money from a machine set up outside the bank. [5]
 - (a) Identify the card.
 - (b) Write *any four* precautions that must be taken while using such a card.

Question 8

- (i) What is an Advertising Agency? Describe *any two* functions of the Advertising Agency. [5]
- (ii) Mention *any five* expectations of Government from a commercial organization. [5]

Question 9

- (i) What is Consumer Exploitation? Mention *any three* ways in which consumers are exploited. [5]
- (ii) Explain in brief *two* merits and *three* demerits of Advertising. [5]

Question 10

Given below is the Trial Balance of M/s. Krishna & Sons Pvt Ltd as on 31st March, 2023. Prepare a Trading and a Profit and Loss account for the year ending 31st March, 2023 and a Balance Sheet as on the same date. [10]

Trial Balance of M/s. Krishna & Sons Pvt Ltd as on 31st March, 2023.

Particulars	Dr.	Cr
Capital	—	50000
Drawings	1000	—
Debtors and Creditors	25000	15000
Loan	—	20000
Discounts	4750	300
Purchases and Sales	90000	172000
Land and Buildings	88000	—
Salaries	33000	—
Cash in hand	2,700	—
Stock as on 01-04-2022	28000	—
Commission Received	—	18550
Sales Return and Purchase Return	750	550
Carriage inward	1200	—
Bills receivable and Bills payable	7500	5500
TOTAL	281900	281900

Closing stock was valued at ` 25000.