

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: [5]
 - (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: [5]
 - (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.