

COMMERCIAL STUDIES**(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

Distinguish between:

- (a) A Product and a Service. [2]
- (b) Current ratio and Acid Test ratio. [2]
- (c) Fixed cost and Variable cost. [2]
- (d) A Bill of Exchange and a Promissory Note. [2]
- (e) Salesmanship and Advertising. [2]

Question 2

- (a) What do you understand by Marketing Research? [2]
- (b) Explain the term Intellectual Property. [2]
- (c) List two features of a Balance Sheet. [2]
- (d) Mention any two benefits which advertising provides to society. [2]
- (e) Mention any two ways by which employees get social security. [2]

Question 3

- (a) Operating a bank account is very useful to businessmen as well as people in general. Justify. [2]
- (b) Explain two effects of faulty selection of employees. [2]
- (c) Clearly bring out one difference between a strike and a lock out. [2]

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- (d) What is a *Cash flow* Statement? [2]
- (e) List *two* main objectives of *Branding*. [2]

Question 4

- (a) A commercial bank serves as an agent for its customer. Justify. [2]
- (b) Do you agree that personal selling is an educative process? Give *one* reason. [2]
- (c) With reference to taxation, explain the Canon of Convenience. [2]
- (d) List *two* objectives of the Consumer Protection Act, 1986. [2]
- (e) A business firm is treated as a unit separate and distinct from its owners. Identify and explain the accounting principle underlying the above statement. [2]

SECTION B (40 Marks)

Attempt any four questions from this Section

Question 5

- (a) What is standardization? List *three* benefits of standardization. [5]
- (b) Describe the scope of the Indian Companies Act, 1956. [5]

Question 6

Write short notes on:

- (a) The Workmen's Compensation Act, 1923. [5]
- (b) Trading Account. [5]

Question 7

Explain the conflicting needs of the stakeholders of a company. [10]

Question 8

Define *advertising*. Explain any *four* factors to be considered while selecting a suitable medium of advertising. [10]



Question 9

- (a) Explain *five* differences between a *Central Bank* and a *Commercial Bank*. [5]
- (b) Describe the importance of *Training*. [5]

Question 10

Mr. Lewis is the Marketing Manager of a leading Fast Moving Consumer Goods Company. He observes that a particular brand of shampoo manufactured by the company is not preferred in the market. As a result, the sale has declined over a period of time. It is found that dealers are unwilling to stock the shampoo.

- (a) Suggest *five* techniques of sales promotion to induce dealers to stock the shampoo. [5]
- (b) How would you recruit and select new sales representatives to persuade the dealers? [5]