

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) *Capital Receipts and Revenue Receipts.* [2]
- (b) *Direct Costs and Indirect Costs.* [2]
- (c) *Shareholders and Customers.* [2]
- (d) *Budgeting and Forecasting.* [2]
- (e) *A Trading Account and a Profit and Loss Account.* [2]

Question 2

- (a) *What is meant by formal communication?* [2]
- (b) *Name four important methods used for training.* [2]
- (c) *State any two methods of Marketing Research.* [2]
- (d) *What are Liquid Assets?* [2]
- (e) *Give two aims of The Consumer Protection Act 1986.* [2]

Question 3

- (a) *What is meant by Non-Insurable Risk? Give one example.* [2]
- (b) *State any two general utility functions of Commercial Banks.* [2]
- (c) *State any two characteristics of a Service.* [2]
- (d) *Give two points of difference between Public and Private Warehouses.* [2]
- (e) *State any two expectations of the general public from a business organization.* [2]

This paper consists of 3 printed pages and 1 blank page.

**Question 4**

- (a) State any *two* features of a Bearer Cheque. [2]
- (b) What is meant by the term *Capital Expenditure*? [2]
- (c) List *two* features of a Non-trading Organization. [2]
- (d) State *two* methods or techniques of Sales Promotion. [2]
- (e) State *two* advantages of a Campus Interview as a source of recruitment. [2]

SECTION B (40 Marks)

Attempt any four questions from this Section

Question 5

- (a) State any *five* advantages of Road Transport over Water Transport. [5]
- (b) Give any *five* expectations of employees from a business enterprise. [5]

Question 6

- (a) Explain any *two* functions of the *Central Bank* of a country. [5]
- (b) Briefly explain any *five* principles of an Insurance Contract. [5]

Question 7

- (a) Explain any *five* qualities of a successful salesman. [5]
- (b) Briefly explain the following:
 - (i) Role of Trade Unions in the welfare of workers.
 - (ii) Outdoor Advertising. [5]

Question 8

- (a) Explain the elements in the process of communication. [6]
- (b) *Marketing is essential for the success of a business organisation.*
Give *four* reasons to support your answer. [4]

Question 9

- (a) State the various stages of the Selection Process of workers in an organisation. [5]
- (b) Suggest any *five* ways Society benefits from Advertising. [5]



Question 10

Prepare a Trading, Profit and Loss A/c. and Balance Sheet of M/s. Sultan Enterprises for the year ended 31st March, 2010 from the following Trial Balance. [10]

Trial Balance as on 31.03.2010

<u>Heads of Accounts</u>	Dr. (₹)	Cr. (₹)
Opening Stock	15,000	-
Salary	2,400	-
Purchase & Sales	80,000	1,20,000
Machinery	40,000	-
Returns	4,000	5,000
Commission Received	-	6,000
Investments	10,000	-
Interest on Investment	-	1,200
Carriage on Purchase	3,000	-
Rent & Rates	4,000	-
Debtors & Creditors	22,800	15,700
Bills Receivable & Bills Payable	3,400	4,100
Cash-in-hand	6,400	-
Wages	18,600	-
Discount Allowed	5,200	-
Royalty Paid	12,000	-
Discount Received	-	6,000
Drawings and Capital	1,200	70,000
	<u>2,28,000</u>	<u>2,28,000</u>

Closing Stock was ₹ 15,250.