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## 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.*

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*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 [ ].*

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### SECTION A (40 Marks)

*Answer all questions from this Section.*

#### Question 1

Distinguish between the following:-

- (a) Advertising and Publicity. [2]
- (b) Promissory note and Cheque. [2]
- (c) Trading and Non-trading concerns. [2]
- (d) Book keeping and Accounting. [2]
- (e) Shut down cost and Sunk cost. [2]

#### Question 2

- (a) Mention two trade practices that are considered monopolistic. [2]
- (b) A person is recruited in a training centre where the actual job conditions are simulated. Name the training technique used. [2]
- (c) How are recruitment and selection interlinked? [2]
- (d) What was the need for passing the Consumer Protection Act, 1986? [2]
- (e) What is meant by 'Indirect Materials'? Give two examples. [2]

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

Turn over

**Question 3**

- (a) How does the preparation of a budget help the Management of a Company? [2]
- (b) With the help of an example, explain the 'clearing house' function of the Reserve Bank of India. [2]
- (c) With the help of a diagram, explain the *accounting cycle*. [2]
- (d) What advantages do external sources of recruitment have over internal sources? [2]
- (e) What is meant by Inventory (Stock) Turnover Ratio? [2]

**Question 4**

- (a) How is 'Demand Assessment' important to an organization? [2]
- (b) What precautions need to be taken while *packaging a product*? [2]
- (c) Mention two advantages of branding. [2]
- (d) Explain briefly the principle of accounting on which the following equation rests:-  
'Assets = Liabilities + Capital.' [2]
- (e) What are the expectations of the Government from a business concern? [2]

**SECTION B (40 Marks)**

*Answer any four questions from this Section.*

**Question 5**

Explain any four cannons of taxation. Why are both, direct and indirect taxes required to develop an equitable and productive tax structure? [10]

**Question 6**

What is meant by 'Performance Appraisal'? Explain the systems of the 'Performance Appraisal.' [10]

Question 7

A company has come up with a revolutionary detergent powder. What advertising strategy should the company adopt? Mention the various media to be utilized, giving reasons for the same.

[10]

Question 8

Mention five problems of Trade Unions in India. Suggest suitable measures that can be adopted to solve the problems stated by you.

[10]

Question 9

(a) Mr. Shasan is the owner of a factory manufacturing oil and soaps. He has employed Ramu, aged 13 years, in the soap manufacturing department. Ramu's work timings are from 2 p.m. to 9 p.m. with a break of half an hour at 6 p.m. He has to work all seven days of the week. In this context, answer the following questions:-

(i) What are the details that Mr. Shasan needs to maintain in his register regarding the employment of Ramu?

[3]

(ii) How has Mr. Shasan violated the laws that are applicable in India?

[2]

(iii) What measures should Mr. Shasan take in his factory for the safety of his employees?

[3]

(b) Mention any two examples of Restrictive Trade Practices.

[2]

Question 10

What is meant by Marketing? Explain any four key marketing functions.

[10]



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