
COMMERCIAL APPLICATIONS

(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.

*Section A is compulsory. Attempt **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

Give one difference each between:-

- (a) *Current Deposit Account and Fixed Deposit Account.*
- (b) *Markets and Marketing.*
- (c) *Institutional and Informative Advertising.*
- (d) *Book-keeping and Accounting.*
- (e) *Implicit and Explicit Costs.*

[10]

Question 2

- (a) *Explain the term Overdraft.*
- (b) *Why is *personal selling* considered selective in nature?*
- (c) *Mention any two features of the *Income and Expenditure* Account.*
- (d) *What is a group interview?*
- (e) *How is *persuasion* an important element of *Public Relations*?*

[10]

Question 3

- (a) *Mention any two uses of *Receipts and Payments* Account.*
- (b) *What are *convenience products*? Give two examples.*
- (c) *What is *sale on approval*?*
- (d) *Name any two basic elements of *Cost*. Give an example of each.*
- (e) *Explain the term *Not Negotiable Crossing*.*

[10]

This Paper consists of 4 printed pages.

Question 4

Give two reasons either for or against each of the following:-

- (a) The Central Bank is not a Bankers Bank.
- (b) Every transaction affects at least three accounts.
- (c) Advertising increases the price of products for consumers.
- (d) Travellers cheques make travelling safe and convenient.
- (e) Accounting records serve as a source of information to the creditors of an organization.

[10]

SECTION B (60 Marks)

Attempt any four questions from this Section.

Question 5

- (a) Explain the nature of *ethics* in *Public Relations*.
- (b) *A test is a method used for selection of employees by an organization.* In the light of this statement, explain any two types of tests.
- (c) Distinguish between *training* and *education*.

[5]

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[5]

Question 6

- (a) How do *Exchange Banks* help in financing foreign trade?
- (b) Explain *conditional endorsement*.
- (c) Discuss any two *agency functions* of *Commercial Banks*.

[5]

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[5]

Question 7

- (a) Mention the main features of a product. Explain any two in detail.
- (b) Describe the longest channel of distribution available for consumer products.
- (c) What is *penetrating pricing*? Identify two conditions under which it is desirable.

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[5]

The company selects 10-12 students from leading management institutions such as IIM, Bajaj and XLRI, every year for a year-long training programme. For selecting trainees, Godrej runs competitions in 30-40 management campuses across the country, where students are encouraged to generate business ideas for Godrej. GALLOP trainees start with an induction programme addressed by the Chairman himself. The trainee is rotated amongst four departments apart from the department he is hired for. He is also required to do a one-month project in rural India. This rural experience enables the trainee to understand customers from a different perspective, as Godrej is rapidly expanding in agribusiness.

- (a) Identify and explain two functions of Human Resource Management which are highlighted in the case under study. [5]
- (b) *GALLOP trainees start with an induction programme.* Explain the meaning of *induction*. State its importance at the beginning of a training programme. [5]
- (c) Discuss two other methods by which you would recruit trainees for the company if you were the Human Resource Manager of Godrej. [5]



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BY CHIRAG AGARWAL